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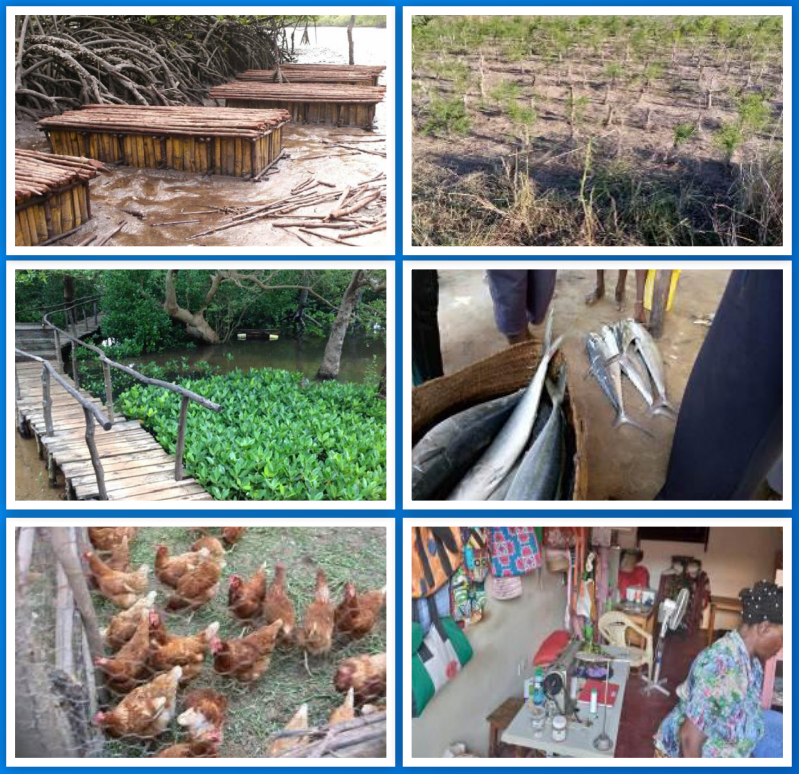
MINISTRY OF MINING, BLUE ECONOMY AND MARITIME AFFAIRS

STATE DEPARTMENT FOR THE BLUE ECONOMY AND FISHERIES

KENYA MARINE FISHERIES AND SOCIO-ECONOMIC DEVELOPMENT (KEMFSED) PROJECT

PROJECT GRANTS MANUAL



REVISED OCTOBER 2023

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Abbreviations and Acronyms

AWPB	Annual Work Plan and Budget
BMU	Beach Management Unit
BoQ	Bill of Quantities
CADP	County Annual Development Plan
CBO	Community Based Organization
CDD	Community Driven Development
CCEL	Coastal Community Empowerment and Livelihoods (CCEL)
CC2	Component Coordinator 2
CDE	County Director of Environment
CDP	Community Development Plan
CIDP	County Integrated Development Plan
CIG	Common Interest Group
CPC	County Project Coordinator
CPIU	County Project Implementation Unit
CPSC	County Project Steering Committee
CTA	County Technical Assistant
CTAC	County Technical Advisory Committee
DA	Designated Account
ECCL	Enhanced Coastal Community Livelihoods
EEZ	Exclusive Economic Zone
EIAs	Environment Impact Assessment
ESIA	Environment and Social Impact Assessment
ESMF	Environment and Social Management Framework
ESMP	Environment and Social Management Plan
FIMS	Fisheries Information Management System
GoK	Government of Kenya
GPS	Global Positioning System
GRM	Grievance Redress Mechanism
HIV/AIDS	Human Immuno-deficiency Virus/Acquired Immune Deficiency Syndrome
IDA	International Development Association
ID No.	Identification Number
IEC	Information Education Communication
IGA	Income Generating Activity
KCDP	Kenya Coast Development Project
IPP	Indigenous People Plan
IP	Indigenous People
KCSAP	Kenya Climate Smart Agriculture Project
KeFS	Kenya Fisheries Services
KEMFSED	Kenya Marine Fisheries and Socio-Economic Development
KENAO	Kenya National Audit Office
KES	Kenya Shillings
KMFRI	Kenya Marine Fisheries Research Institute

KWSCRP	Kenya Water Security and Climate Resilience Project
LPO	Local Purchase Order
LSO	Local Supply Order
MoALFC	Ministry of Agriculture, Livestock, Fisheries and Cooperatives
MMBE&MA	Ministry of Mining, Blue Economy and Maritime Affairs
MCS	Monitoring Control and Surveillance
M&E	Monitoring and Evaluation
MIS	Management Information System
MoU	Memorandum of Understanding
MSP	Marine Spatial Planning
MTR	Mid–Term Review
NARIGP	National Agricultural and Rural Inclusive Growth Project
NEMA	National Environment Management Authority
NGO	Non-Government Organization
NPC	National Project Coordinator
NPCU	National Project Coordination Unit
NT	National Treasury
OAG	Office of the Auditor General
O&M	Operation and Maintenance
PA	Project Account
PAD	Project Appraisal Document
PDO	Project Development Objectives
PGM	Project Grants Manual
PICD	Participatory Integrated Community Development
PIM	Project Implementation Manual
PMC	Project Management Committee
PSA	Participatory Social Assessment
PTAC	Project Technical Advisory Committee
RPF	Resettlement Policy Framework
SA	Social Accountability
SDFA&BE	State Department of Fisheries Aquaculture and The Blue Economy
SDBE&F	State Department for the Blue Economy and Fisheries
SHG	Self Help Group
SME	Small and Micro-Enterprises
SMS	Short Message Services
SoE	Statement of Expenditure
SP	Strategic Partner
ToR	Terms of Reference
ToT	Training of Trainers
TVET	Technical Vocational Educational and Training
VC	Value Chain
VMG	Vulnerable Marginalized Group
WB	World Bank

Definition of Terms

Term	Definition as used in the Manual
Capacity	The ability of individuals and organizations to perform functions effectively, efficiently and in a sustainable manner.
Community Based Organizations (CBOs)	Non-profit making groups that work at community or local level to improve the life of residents.
Community-Driven Development (CDD)	Community-Driven Development (CDD) is a development initiative that provides control of the development process, resources and decision-making authority directly to groups in the community.
Common Interest Group (CIG)	A group of fishers and/ or farmers who share common problems or aspirations around a value chain/an enterprise. It is formed to facilitate effective implementation of activities identified by members.
Grant	A grant is a direct financial contribution, by way of donation, to finance an intervention intended to support achievement of a specific objective of the KEMFSED Project.
Grievance	A grievance is an expression of dissatisfaction or an accusation made by a stakeholder for a wrong doing in the sub-project implementation.
Target Community	People living in the village (sub-location) that has been identified or selected for Enhanced Coastal Community Livelihood (ECCL) interventions.
Field Officers	Refer to County Technical Assistants (CTAs), technical staff at the sub-county and ward levels and staff from partner commercial enterprises trained by the Project and given the responsibility of facilitating the PICD process, training community groups and providing extension services during sub-project implementation.
Impact	The changes in the lives of a people, as perceived by them and their partners at the time of evaluation attributable to a program or project, plus sustainability-enhancing change in their environment. Changes can be positive or negative, intended or unintended.
Indicator	Quantitative or qualitative factor or variable that provides a simple and reliable basis for assessing achievement, change or performance. It is a unit of information measured over time that can help show changes in a specific condition. A given goal or development objective can have multiple indicators.
Sub-Project Beneficiaries	Are individuals, groups or organizations who will derive some benefit from the implementation of ECCL sub-project in the target community. Direct beneficiaries are those who will participate directly in the sub-project and therefore benefit from its existence. Indirect beneficiaries are all community members who are living in the zone of influence of a sub-project.
Procurement Entity	Refers to three CIG members given responsibility by the group to oversee procurement of goods and services for the sub-project, one of whom must be of either gender

Term	Definition as used in the Manual
Sub-Project	Projects identified and implemented at group level through a facilitated and objective process relevant to the delivery of KEMFSED Project outputs.
Sub-Project Cycle	Represents a logical sequence of all the activities to be carried out to achieve the objectives and intentions of the Enhanced Coastal Community Livelihoods (ECCL) sub-component.
Monitoring	Regular collection and analysis of information to assist timely decision making, ensure accountability and provide the basis for evaluation and learning.
Livelihood	A means of making a living. It encompasses people's capabilities, assets, income and activities required to secure the necessities of life.
Resources	Items that a project has or needs in order to operate such as staff time, managerial time, local knowledge, money, equipment, trained personnel, etc.
Result	The measurable output, outcome or impact (intended or unintended, positive or negative) of a development intervention.
Stakeholders	An agency, organization, group or individual who has a direct or indirect interest in the project/program, or who affects or is affected positively or negatively by the implementation and outcome of it.
Sustainability	The likelihood that the positive effects of a project (such as assets, skills, facilities or improved services) will persist for an extended period after the external assistance ends.
Vulnerability	Refers to persons who are easily harmed or adversely affected by stresses that are caused by political, social, economic and natural factors.

CHAPTER 1:

INTRODUCTION

1.1. KEMFSED Project

1.1.1 Project Background

In September 2016 the Government of Kenya enacted the Fisheries Management and Development Act No. 35 to strengthen fisheries governance for sustainable utilization and enhanced revenues for the government and employment creation. The Act established institutions that would strengthen the governance of the fishing industry and aquaculture and enable investments along the fishery value chains for socio-economic benefits. The institutions established included the Kenya Fisheries Service, Kenya Fish Marketing Authority, Fisheries Advisory Council, Fish Levy Trust Fund, among others.

To attain economic benefits from the coastal and marine resources, the Government of Kenya (GoK) through the State Department for Fisheries, Aquaculture and the Blue Economy (SDFA&BE) has requested the World Bank to support the proposed Kenya Marine Fisheries and Socio-Economic Development (KEMFSED) Project. The KEMFSED project will be implemented over a period of five years.

1.1.2 Project Development Objective

The Project Development Objective (PDO) is to improve management of priority fisheries and mariculture and increase access to complementary livelihood activities in coastal communities.

1.1.3 Project Components

Implementation of the KEMFSED project will be through the following three components:

Component 1: Improved Governance and Management of Marine Fisheries

The component will support the GoK in strengthening governance and management of Kenya's renewable marine resource towards ensuring the long-term sustainability of fish stocks. The component activities will be implemented through following three sub-components**:**

- Sub-component 1.1: Enhanced Governance of Marine Fisheries and Blue Economy
- Sub-component 1.2: Improved Management of Near Shore Fisheries
- Sub-component 1.3: Infrastructure Development for Fisheries Management

❖ Sub-Component 1.1 Enhanced Governance of Marine Fisheries and Blue Economy

The sub-component aims to optimize the use of, and increase the benefits derived from Kenya's marine fisheries within the broader blue economy, while simultaneously ensuring that the long-term sustainability of these resources is not compromised. Among others, this will be achieved through:

- Strengthening fisheries policy and regulation;

- Marine spatial planning (MSP);
- Strengthening the management of priority fisheries including Monitoring Control and Surveillance (MCS) in both near shore and Exclusive Economic Zone (EEZ), and the research needed to support decision making.

❖ Sub-Component 1.2 Improved Management of Near Shore Fisheries

The sub-component will be undertaken in synergy with related priority fisheries stock assessments, MSP and Fisheries Information Management System (FIMS) developed under sub-component 1.1. A standardized national governance framework for near shore fisheries co-management will be developed and implemented in approximately half of Kenya's near shore waters, through direct engagement with at least 35 of the 85 Beach Management Units (BMUs).

❖ Sub-Component 1.3 Infrastructure Development for Fisheries Management

The sub-component comprises infrastructure development specifically aimed at supporting the management of fisheries at both national and county levels. It includes an office building in Nairobi to house key fisheries-related entities, and the National Marine Resources and Training Centre in Shimoni, Kwale County. Where required, coastal county fisheries department offices and BMU offices will be upgraded or renovated as well as other essential fishery related infrastructure such as landing clusters.

Component 2: Coastal Community Empowerment and Livelihoods (CCEL)

The component will strengthen livelihoods in coastal communities through provision of a combination of technical and financial support. This will include demand-driven sub-projects and complementary capacity-building and training of beneficiaries. Women, youth and vulnerable and marginalized groups (VMGs) will be specifically targeted by creating opportunities along the value chain. The component will provide synergistic support to the implementation of component 1 and enable poor coastal households to comply with near shore fisheries co-management regimes by improving their access to complementary livelihood activities and social welfare facilities.

❖ Sub-Component 2.1 Enhanced Coastal Community Livelihoods (ECCL)

The sub-component will provide grants to finance sub-projects to eligible beneficiaries within two specific categories: i) productive or livelihood; and ii) social and environmental. Sub-projects will be targeted to common interest groups (CIGs) of households within eligible communities. Eligible smallholder out-growers will also be supported to implement productive livelihood related activities through strategic partnerships with existing or new commercial mariculture or agriculture related enterprises.

Beneficiary groups could include existing micro-businesses that are not formally registered either as a company or cooperative. Existing Village Savings and Loans groups could be eligible to receive grants for sub-projects (livelihood and social) provided they meet the criteria as outlined in the Project Grant Manual (PGM). Both categories of grants will specifically target women, youth and VMGs.

Complementing the two categories of grant schemes will be a program for scholarship grants implemented primarily to support formal vocational skills training including technical and vocational education and training (TVET), certificate or diploma courses. Support will not be more than two years. Youth especially girls, will be prioritized as beneficiaries of the scholarships.

❖ **Sub-Component 2.2 Support Services for Livelihood Enhancement and Capacity Development**

The sub-component will support technical assistance to the successful implementation of the sub-project cycle, and capacity building for extension services in coastal counties. Support services for sub-project identification, preparation and delivery will be mainly provided by county technical officers and extension teams, in collaboration with staff from partner enterprises, where applicable, and with training and quality-control by a specialist service provider. The sub-component will also support training of beneficiaries using a participatory integrated community development (PICD) approach. The services will include management and oversight of sub-project delivery and community skills development.

Component 3: Project Management

The component will finance supplemental support for project management at both national and county levels to ensure coordinated and timely execution of project activities. It will include the establishment and operation of a National Project Coordination Unit (NPCU) within SDBE&F (based in Nairobi and supported by a decentralized team located in Mombasa) and a county project implementing unit (CPIU) in each of the five participating coastal counties. These units will be responsible for: project oversight, coordination and reporting; support to governance structures; financial and procurement management, external/internal audits and accounting; quality control and assurance systems; environmental and social safeguards compliance; development and implementation of a communications and stakeholder engagement plan; M&E, gender informed project implementation; and technical audits and evaluation studies, as needed. The CPIUs in all the five counties will also be instrumental in supporting the delivery of community-based activities within component 2.

1.1.4 Target Beneficiaries

The project will benefit poor households in 19 coastal sub-counties of Kwale, Mombasa, Kilifi, Tana River and Lamu Counties.

The following are the priority groups and areas:

Priority 1: at least 40% of the funds

1.Communities which are coastal (within 5km) and fishers.: The primary target group will be the fishers and poor fisheries-dependent households, and rural communities with direct or indirect links to fishing activities living within coastal communities no far of 5km from the coastline.

Fisheries-related benefits will be accrued through the establishment and operation of community co-management schemes and adoption of sustainable fishing practices. Fisheries-dependent and coastal farming communities organized as groups (BMUs, CIGs) will be enabled to adopt complementary and/or alternative livelihoods.

Priority 2: at least 30% of the funds

2.Communities which are coastal but are not fishers. Many communities depend on agriculture and small micro business, and these are not necessary fishing communities. These communities could also benefit from the funds with proposals that can help reduce poverty and provide alternative likelihood to fishing.

Priority 3: at least 30% of the funds

Communities inland farther than 5km from the coastline will benefit also from the project. There are communities groups /cooperatives engaged in blue micro businesses, or working landscape restoration, agribusiness, etc. There is substantial proportion of eligible households which can benefit from Project support and the higher value and guaranteed markets provided by the out-grower schemes (supported by the Strategic Partners) implemented by commercial enterprises partnering with the Project.

Women, Vulnerable Groups and Youth

The project will provide opportunities and undertake interventions targeting women and vulnerable groups (including women from VMGs, disabled, women-headed households and widows and other vulnerable groups like foot fisher and mama karangas) and youth in coastal communities. VMGs located in any priority project area will also benefit from community sub-projects.

The Government of Kenya and fishers in the country will get additional benefits through more efficient and better performing institutions, particularly at the county level. Several government agencies with fisheries-related mandates will benefit from improved policies, research and institutional strengthening, which will lead to developing a robust Blue Economy for Kenya.

1.1.5 Geographic Coverage

The Project will be implemented in the coastal sub-counties of the five (5) counties that are riparian to the Indian Ocean. The coastal counties include Kwale, Mombasa, Kilifi, Tana River and Lamu. In the five target counties, the following are the 19 target sub-counties where the ECCL investments will be concentrated: Lungalunga, Msambweni, Matuga, and Kinango in Kwale County; Nyali, Changamwe, Jomvu, Kisauni, Mvita, and Likoni in Mombasa; Kilifi North, Kilifi South, Malindi, Magarini, Ganze and Rabai in Kilifi County; Garsen in Tana River County; and Lamu East and Lamu West in Lamu County.

1.2 Project Grants Manual

1.2.1 Purpose of the Manual

The purpose of the Project Grants Manual (PGM) is to elaborate, in a practical way, the systems and procedures for implementing the Enhanced Coastal Community Livelihoods (ECCL) sub-projects (Component 2) in an inclusive and participatory manner. The manual provides guidance on important standards, methods and procedures involved in the selection, financing, implementation, monitoring and evaluation of ECCL investments and support services.

These standards, procedures, approaches outlined in the manual are designed to:

- Complement the Project Implementation Manual (PIM) which guides all aspects of KEMFSED Project and gives a broader description of the ECCL sub-component
- Provide detailed guidance on ECCL grants management processes
- Clarify the rights, roles and responsibilities of all those involved in the implementation of ECCL sub-component activities
- Ensure transparency and accountability in all ECCL sub-component operations
- Ensure consistency with the relevant GOK and World Bank rules and regulations
- Improve the efficiency and effectiveness of KEMFSED Project operations

1.2.2 Intended Users

The intended users of this manual are the Project target community groups and institutions that support them in the implementation of ECCL activities, among others. These groups and institutions include:

- Common Interest Groups (CIGs)
- Community Based Organizations (CBOs)
- County Technical Departments
- Short term consultants for ECCL activities at county and community levels
- County Project Implementation Units (CPIUs)
- County Project Steering Committees (CPSCs)
- National Project Coordination Unit (NPCU)
- The World Bank

1.2.3 Grant Management Principles

This Manual incorporates some rules and principles to promote transparency, accountability, efficiency, fairness and ethics in the operation, management and reporting of ECCL grants. These rules and principles include:

❖ Social Inclusion

Inclusion of all members of the community (the poor, men, women, youth, vulnerable groups, differently abled people, the elderly etc.) shall be considered for inclusion and participation in the Project community-driven development (CDD) activities. The poor, women and youth shall be represented in the decision-making positions in the CIGs and CBOs either through adoption of affirmative action or being encouraged to take up positions. Social inclusion will form part of the sensitization and awareness creation agenda.

❖ Transparency

Grants administration shall be done in a transparent and open manner to allow Project stakeholders and the public access to relevant information. Sub-project grants availability shall be widely publicized in an easily accessible way. During implementation, sub-project information will be displayed prominently at sub-project sites (e.g. at local Chief's and Ward Administrators' offices, churches, mosques and local institutions such as schools, etc.).

❖ Accountability

The beneficiaries, project staff at all levels and any service providers involved in the administration of ECCL grants from initiation to completion shall be held accountable and responsible for their actions. All transactions must be properly authorized and fully supported by written records and documentation. All records and books will be maintained and made available to community members and other stakeholders.

❖ Equal Treatment

All target community groups (including the vulnerable, marginalized, poor, women, elderly and youth) must be treated fairly and given equal opportunity to obtain grants. The selection of grants and award process must be completely impartial, and all grant proposals must be evaluated by the County Project Implementation Unit (CPIU) using the set eligibility and evaluation criteria.

❖ Democracy and Participation

Participatory methodologies will be used in all project activities. Community decisions will be based on majority.

❖ Community Initiative/Self-Help

Sub-projects will be demand-driven and will require in-kind contribution from the beneficiary groups where needed. For environment sub-projects (public good) requiring community participation in the form of labor (e.g. mangrove replanting), beneficiaries will be remunerated.

❖ Judiciousness

All project resources will be used efficiently, wisely and carefully to minimize loss and wastage. All activities will be environmentally sustainable, friendly and beneficial to both present and future generations.

❖ Grants Management Ethics

Impartiality and integrity would be the guiding principles of ethical behaviour in ECCL grants management. The Project staff and other actors associated with the grants' management function will be responsible for protecting the integrity of this process and maintaining fairness in the treatment of all applicants.

❖ Sustainability

The Project will support sub-projects with potential for long term continuation of activities and benefits to communities and with no adverse effects on the environment.

1.2.4 Organization of the Manual

For ease of use, this manual is separated into eight chapters as outlined below:

- **Introduction:** Introduces KEMSED Project and the Project Grants Manual;
- **Implementation Arrangements:** Provides information on formation processes, roles and responsibilities of institutions involved in the execution of ECCL sub-projects;
- **Sub-Project Cycle:** Highlights key processes, stages and steps for implementing community capacity and livelihood enhancement initiatives under the ECCL sub-component;
- **ECCL Grant Administration:** Provides an overview of the ECCL grants financing, governance, accountability processes and procedures;
- **Financial Management and Procurement:** Provides guidance on how communities will manage and account for Project fund and manage procurement of goods, works and services for the funded sub-projects;
- **Monitoring, Evaluation and Learning: P**rovides guidelines on requirements, processes and tools for community level supervision, monitoring, reporting and learning from the implementation of the ECCL investments;
- **Cross Cutting Issues:** Details cross cutting or common conditions to be observed by the stakeholders during the implementation of the ECCL sub-component;
- **Annexes:** Presents additional forms, templates and guidelines to be used during the ECCL sub-project implementation.

1.2.5 Revision of the Manual

This manual cannot address every eventuality in the Project area and the users will be required to use their experience and best judgment when applying its guidance to a particular situation or context. There will also be some minor exceptions to some of the conditions or rules stipulated in the manual. The CPIU, for example may decide to fund a CIG with less than 15 active members for a productive or livelihood sub-project. This can be allowed if it is well-justified and documented. Major exceptions must however be discussed and approved by the NPCU.

❖ Reasons for Revision of the PGM

The manual will be periodically reviewed and the factors that may necessitate this include:

- Changes in policy by the Government of Kenya;
- Revision of the Project procurement and financial management procedures and regulations;
- Introduction of new/ or improved practices and procedures;
- Lessons learnt from practical experience during the Project implementation.
- Project restructuring

❖ Procedure for the Review of the Manual

The procedures for the review of the manual will be as follows:

- The CPC will inform Component Coordinator 2 (CC2) when there are serious challenges to the implementation of component two activities due to gaps in the PGM;
- The CC2 will consolidate these challenges from the target counties and make recommendations to the NPC for the review of the PGM to address the identified gaps;
- If deemed necessary due to the complexity of the required changes, the NPC will prepare the Terms of Reference for the review of the PGM and seek a No-Objection from the World Bank;
- The NPC will form a task force to review the PGM and seek the World Bank's no- objection to the revised version of the PGM.

CHAPTER 2:

IMPLEMENTATION ARRANGEMENTS

This section outlines implementation arrangements for the ECCL sub-component. The sub-component will use Community-Driven Development (CDD) approach and Participatory Integrated Community Development (PICD) methodology to mobilize small holder farmers and fishers in common interest groups to participate in the ECCL activities. It will also support small-scale livelihood and public good sub-projects implemented by community groups through a combination of grant provision, technical assistance, enterprise and skills training and partnership with private commercial enterprises with contract farming or out-grower schemes.

2.1 Community-Driven Development (CDD) Approach

The Project will use the CDD approach to implement the ECCL sub-component activities. The target communities and the participating counties will gain control of the development process, investment resources and decision making authority.

The sub-projects implemented through the CDD approach will be:

- Implemented by community groups (CIGs) selected through a participatory and transparent process;
- Designed and planned by the target communities in a participatory manner, with technical support from the relevant county technical officers and field officers from the strategic partners;
- Implemented with grants given to community groups who will also have delegated control over those resources;
- Co-financed, managed, supervised as well as operated and maintained by the beneficiary groups.

2.2 Participatory Integrated Community Development (PICD)

The PICD process will be conducted in the villages (sub-locations) in the 98 target Wards located within the 19 coastal sub-counties to identify, prioritize, plan, implement and manage the ECCL sub-projects. The training will be facilitated by county extension officers in collaboration with field staff from partner enterprises, where applicable. The PICD process will have Participatory Learning and Action (PLA) and follow-up phases. (**Annex 1** presents the list of target wards for the PICD process)

2.2.1 PLA Phase of the PICD Process

The PLA phase will take 14 days during which various participatory learning and action tools will be used to mobilize social groups in the target community to:

- Assess their needs;
- Formulate project ideas that will satisfy those needs;
- Discuss and identify the resources the community is able and willing to mobilize to undertake the required interventions;
- Prioritize the interventions into a list of concrete action plans.

The outputs of the PLA phase should be as follows:

- Baseline information on aspects of community development relevant to KEMFSED Project;
- Community Development Plan (CDP);
- List of priority sub-projects for the community;
- Vulnerable and Marginalized Groups (VMGs) identified by community members through relevant participatory tools;

New groups (CIGs) formed by community members interested in implementing eligible ECCL sub-projects;

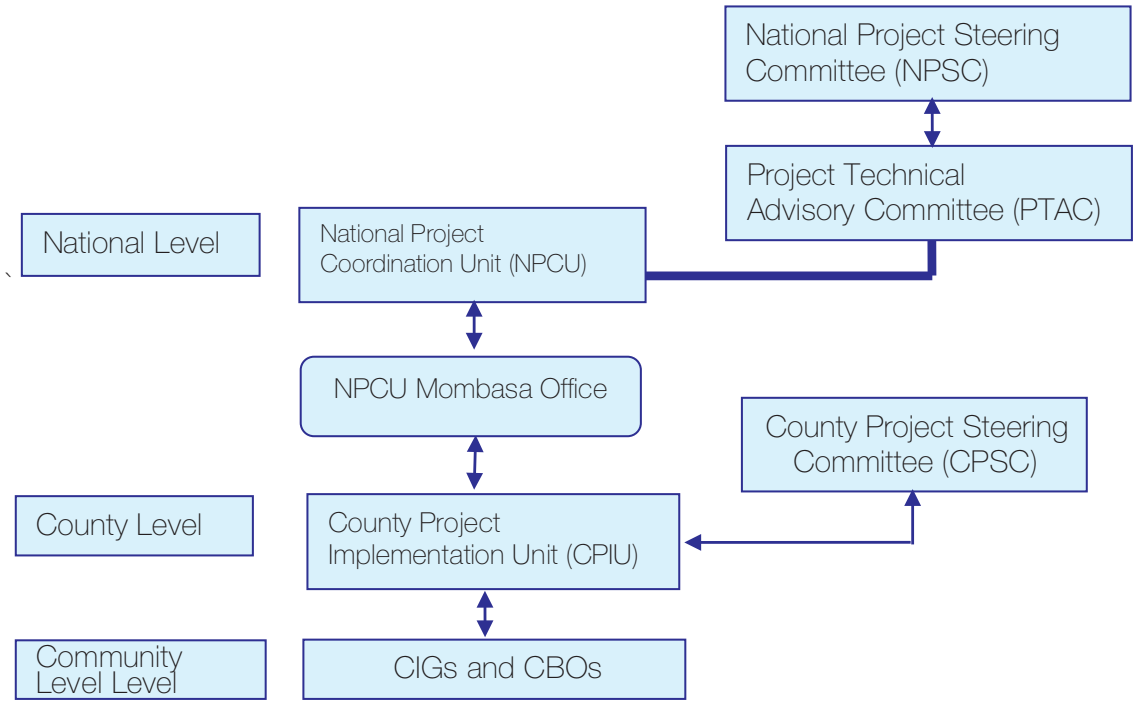
2.2.2 Follow Up Phase

The follow-up phase of the PICD process will involve facilitating the target community to design, plan, implement and monitor the ECCL sub-projects. Community groups which participated in the PICD training and are interested in implementing eligible interventions with Project financing will be guided by the field officers in the process of preparing sub-project proposals and implementation of the funded sub-projects. Community members who are not members of any CIG or CBO during the PICD training but are interested in implementing prioritized ECCL activities in the CDP will be supported to go through group formation process and prepare sub-proposals for funding by the Project. Implementation of the funded sub-projects will take between nine to twelve months to complete. (See chart in **Annex 2)**.

2.3 Institutional Arrangements

The implementation of the ECCL sub-component will involve a three-tier institutional structure at the National, County and Community levels for faster decision making and efficient project implementation, as shown figure 1 below.

Figure 1: Institutional Framework for the ECCL Sub-Component



2.3.1 National Level Institutions

The National Project Coordination Unit (NPCU) will be responsible for the review of the Project Grants Manual, disbursement of funds to the Counties for ECCL investments, coordination of training and capacity building activities and monitoring of implementation milestones, including technical audits. The NPSC and PTAC will provide oversight to the NPCU to ensure that the objective of the ECCL is achieved.

2.3.2 County Level Institutions (Second Tier)

The second level of institutional structures for Project implementation will include the County Project Implementation Unit (CPIU) and County Project Steering Committee (CPSC). The CPIU will undertake the day-to-day management and implementation of the ECCL sub-component activities in each county. It will implement county work plans, including PICD training in the target communities, funding of the eligible ECCL sub-projects, training and technical support to community groups, in collaboration with the CPSC.

The CPIU will rely on county departments like agriculture, livestock, cooperatives, works, environment, water, education, health and forest for training and technical advice to the target communities during planning, design and implementation of the ECCL sub-projects. The CPIU will be the secretariat for the CPSC which will provide oversight and ensure incorporation of the ECCL sub-projects in the County Annual Development Plans (CADPs).

2.3.3 CIG or CBO Level (Third Tier)

The third level will be the Common Interest Groups (CIGs) and Community Based Organization (CBOs) implementing the ECCL sub-projects. The CIGs are the primary beneficiaries of capacity building support and grant resources provided under the ECCL sub-component. CIGs include community-based organizations (CBOs), women's groups, youth groups, self-help groups, vulnerable and marginalized groups (VMGs), BMUs, formally registered.

The CIGs will be assisted by the technical field officers to: plan and design their sub-projects; procure inputs and manage their finances during implementation; and to monitor and evaluate their sub-projects. The CIGs will, if required by the nature of sub-project, form Project Management Committees to oversee the day to day implementation. The specific roles and responsibilities of these institutions are elaborated in **Annex 3** of the manual.

2.4 Provision of Grants to Common Interest Groups (CIGs)

The sub-component will provide funding to eligible CIGs in the 98 wards/target communities in the 19 riparian sub-counties to implement their sub-projects, upon submission and approval of acceptable proposals. The ECCL grants will support 2 categories of sub-projects in the target communities including productive or livelihood sub-projects and social and environmental sub-projects. The former category of grants is anticipated to benefit twenty thousand households in the 19 sub-counties.

For the CIGs to be eligible, they must have participated in the PICD training, prepared and submitted sub-project proposals acceptable to the CPIU. Eligible sub-projects will be identified from Community Development Plan (CDP) prepared during the PICD process in the target communities.

2.5 Co-Financing of Sub-Projects

The ECCL grants will not finance the entire cost of implementing productive, livelihood and social welfare sub-projects. The beneficiaries of productive and livelihood sub-projects will be required to meet ten percent (10%) (cash or in-kind) of the cost of implementation. Contribution for the social and environmental sub-projects will be in-kind and flexible, to be determined on a case by case basis. The grants will finance the entire cost of implementing environmental and natural resources sub-projects (labour will be remunerated for public good type sub-projects).

The co-financing for productive and livelihood sub-projects may be in the form of cash or in-kind. The in-kind contributions may include but not limited to; unskilled labour, local materials, equipment, land and any other property or activity.

Theymay not be required prior to the initial funding of the sub-projects but the beneficiary groups must provide evidence of the co-financing during implementation, where applicable and in accordance with the Commitment Agreement signed with the CPIU. The CIG will be required to report on the co-financing as they report on KEMFSED Project funds expended.

2.6 Training of Technical Staff and Community Groups

The Project will support targeted training to technical staff and community groups to build their capacity for successful implementation of the ECCL activities. The County technical Officers will train Sub County, Ward Officers and Partner staff as ToTs who will further train the CIGs in a cascade model.

The training will be done prior to and during sub-project implementation and will include: PICD training for technical staff at county, sub-county and ward levels, field officers from partner enterprises; PICD process training in the target communities to develop community development plan and identify priority sub-projects for funding; group dynamics and project management training for community groups; entrepreneurship and grants management training for community groups and exchange visits for community groups and technical staff.

2.7 Technical Support to Community Groups

Technical support to community groups and sub-projects will be provided by County Technical Assistants (CTAs), key county department officers, sub-county and ward extension officers and field officers from the private commercial enterprises in partnership arrangement with the Project.

The CTAs employed by the Project will support the CPIU to ensure timely implementation of planned Component 2 community-led demand-driven interventions. They will, in collaboration with key county department officers, participate in all county training activities, including training of sub-county and ward extension staff. The CTAs and sub-county and ward level extension officers will participate in the management and implementation of the community interventions while carrying out community activities including: community mobilization; sensitization and awareness creation; training; follow-ups; supervisions; handholding on procurement of works, goods and services and monitoring and evaluation of sub-projects and any other community facilitation needs that may arise during implementation.

The field officers from the private commercial enterprises will provide technical support in the same areas to eligible contract farmers or out-growers groups in the Project area.

2.8 Strategic Partnerships

The ECCL sub-component implementation will involve partnerships with commercial enterprise firms applying agriculture or aquaculture contract farming schemes for small holder producers. The objective of such partnerships will be to support the preparation and implementation of sub-projects by eligible smallholder outgrowers contracted by the commercial enterprise for market provision on a market-to-production approach. The Strategic Partners (SPs) will carry out activities under an MoU to be signed between the agency , the Cabinet Secretary for MMBE&MA and the Participating Counties. SPs can be from other sectors (ecotourism, maritime, commercial, etc) that are defined of interest by the Project.

Under the implementation arrangements agreed in the ECCL, SPs will be actively involved in planning and implementing projects and programs in the Project area. The participation of the SPs in Project activities will take three forms: (a) Participating in PICD training and capacity building of the contract farmers in their CIGs within their setup; (b) being responsible for supporting implementation of specific sub-projects under the ECCL; (c) participating in the trainings undertaken by the Project

The Project's main contribution to SPs will be confined to testing and establishment of productive or operational innovations benefitting project beneficiaries, and capacity building majorly through training in those areas seen to be important in the implementation of interventions and supporting CIGs or CBOs who have signed contracts with them as out-growers.

CPIUs in conjunction with the SPs will arrange for the programming of activities. This may entail formation of the CIGs, preparation, and implementation of sub-projects, field supervision, training, follow-up schedules, participation in missions and submission of reports capturing the requisite data that will advise the progress of the project implementation towards the achievement of the PDO and intermediate indicators.

The Project will provide the following support to SPs:

- Training on all aspects of the KEMFSED sub-project cycle, participatory methodologies, including PICD, community procurement and financial management, environmental screening of sub-projects, participatory monitoring, and evaluation, natural resource management, cross-cutting issues such as gender, conflict management, and environmental and social safeguards;
- Development and provision of criteria, guidelines for sub-project implementation and the PGM.

The county officers and SPs will hold short (half-day) monitoring meetings with the target communities during implementation and a one-day participatory evaluation after completion of the sub-project. The latter will assess the impact of the project and the strengths and weaknesses of the processes used. Over time, the county officers or SPs will help build capacity within communities to fully implement all project activities. As communities gain capacity in implementation, the function of the county officers or SPs will shift away from implementation towards monitoring.

2.9 Selection of the ECCL Investments Beneficiaries

The Project will use the following multi-stage process in the selection of target communities for the ECCL investments:

- In the first step, the Project implementing agency has identified 98 Wards from 19 sub-counties in five target Counties to benefit from ECCL investments;
- The second stage of selection involves picking the villages (sub-locations) in the target wards from where to start the PICD process training. This will be done by the field officers and ward leaders, during the ward level sensitization meeting;
- Poverty levels (as per the records of National Bureau of Statistics) and the presence of other development partners should be the main considerations when prioritizing the target villages for ECCL activities;
- Where there are more than two villages or sub-locations per ward, the list of subsequent villages for PICD training and project intervention will be developed during the ward sensitization meeting;
- The Counties may also have the PICD training going on in more than one village in the ward at the same time, depending on the staff capacity of the county;
- The CPIU should ratify the list of villages selected by field officers and staff from the partner agencies and give the necessary advice on the selection;
- The selection of the target villages and beneficiary CIGs should be done from year one to year three, to give enough time for the implementation and completion of sub-projects.

CHAPTER 3:

SUB-PROJECT CYCLE

This section describes the process of implementing an ECCL sub-project and its related procurement and disbursement activities, after the target community or village has been identified. The sub-project cycle will have five stages as described below and in the summary table in **Annex 4.**

3.1. Preparatory Activities

The following activities will be undertaken prior to the implementation of the sub-projects in the target communities:

- Training of the field officers and staff from partner commercial enterprises on PICD approach and other skills to facilitate PICD process and other training in the target community;
- One-day meeting in the target ward for the Ward Administrator and other leaders to select the village for PICD training and create awareness on the KEMFSED Project, CDD approach and PICD process.
- Identification of existing community groups (CIGs) in the target village during the meeting.

The PICD training for field officers and partner enterprises staff will be facilitated by county technical officers. The trained staff will conduct the sensitization and awareness creation in the target wards.

3.2. Preparation of Sub-Projects (Stage 1)

Sub-project preparation will involve three main steps including: i) Participatory identification of sub-projects; ii) Writing of sub-project proposals and iii) Completing application forms for ECCL funds. Field officers and partner enterprise staff will provide assistance to the target communities in the preparation process.

3.2.1 Identification of Sub-Projects

Identification of sub-projects will be done during the PICD training in the target communities facilitated by field officers and staff from partner commercial enterprises. During this training, various Participatory Learning and Action (PLA) tools will be used to guide target communities to identify their priority problems and solutions and prepare community development plans (CDPs). They will also identify eligible sub-projects from the CDPs.

The PICD training in the community will take 14 days and will involve the activities highlighted below:

❖ **Sensitization Meeting in the Village**

Sensitization meeting will be held in the target village (sub-location) for local leaders and representatives of community groups. It should be attended by the area Assistant Chief, Village Administrator, elders, opinion leaders and representatives of community groups.

The purpose of the meeting will be to:

- Sensitize participants on the objectives and strategies of KEMFSED Project;
- Discuss the logistics for the PICD training in the village;
- Carry out initial identification community groups (CIGs and CBOs) which will be potential entry points for the ECCL activities in the target community;
- Identify community contact persons to be used during the PLA phase of the process.
- During the village meeting, the field officers should:
- Sensitize the leaders and group representatives on KEMFSED Project and the CDD and PICD approaches to be used in the target community;
- Request the meeting to invite many community members, including the marginalized groups and poorest members to the PICD training. They should clarify that the PICD training will be voluntary to avoid forced participation. The meeting place and daily starting time for the training should also be discussed and agreed on;
- Get to know the existing community groups (CBOs and CIGs) which will be the potential entry points for ECCL activities in the village. The field officers should explain to the meeting, without raising expectations, that the Project will fund ECCL sub-projects identified by community members and implemented by community groups (CIGs or CBOs) or community members who will be assisted to form groups during the PICD training;
- Identify one female and one male community member who will assist in simplifying contact with the community, creating more awareness in the community about the Project and help in organizing community meetings and focus group discussions with various groups during the training.

❖ Participatory Social Assessment (PSA)

The purpose of PSA is to assess community development situation and needs and begin to articulate a vision for community development in the future.

- During the assessment, discussions should be held in various sub-groups of village leaders, women, men, occupational groups, differently abled people, elderly, minority groups and religious groups.
- Different PLA tools are used to conduct the assessment and the field officers guiding the process should ensure that the tools emphasize local knowledge and enable community members to make their own appraisal and analysis.
- The assessment should not exceed five days and the field officers should consult and agree with the community members on the time (i.e. number of days per week and hours per day) they are willing to spend in the exercise.

The common PLA tools for participatory social assessment are listed in Table 1 and the PICD manual which will be given to the trained field officers will have more details on the use of these tools.

Table 1: PSA Process and Tools

Process	PLA Tools	Duration
1. Assessment of community attitude towards development	River Code, Secret in the box, take a step, Boat is sinking,	One day
2. Identification of problems and opportunities/ solutions	Community sketch maps, transect walks, community resource bag, timeline, historical profile, trend lines, seasonal calendar, daily activity profile, family needs assessment, access and control profile, influencing factor matrix, chapatti/ Venn diagrams, wealth ranking, and visioning matrix	3 days
3. Problem and Solution Analysis	Focus group discussions, linkage/flow diagram, problem tree and problem analysis chart	One day
4. Prioritizing Problems and Solutions	Preference or pairwise ranking and matrix scoring and ranking	

At the end of the assessment, the field officers help community members to summarize the findings of the group discussions, PLA sessions and local decisions. This information will form the basis for the preparation of the Community Development Plan (CDP).

❖ Preparation of Community Development Plan (CDP)

The CDP is a comprehensive document that consolidates all the actions that the community has proposed to undertake to tackle its prioritized problems within a given time frame.

At the end of the PSA, the target community identifies a small group of community members to conduct the planning exercise on its behalf. The group must reflect the diversity of the community and should include men, women, youth, elderly and people with disability.

The planning exercise takes a maximum of 3 days and starts with the induction of the group on CDP development process and format by the field officers. The problems and solutions ranked by the community are used to develop four-year development plan for the community, including the areas shown in Table 2 below.

Table 2: Community Development Plan Chart

Priority problem	Objectives	Activities	Indicator	Target	Where	When	Resource	Costs	Provider / Responsible
1.									
2.									
3.									

The field officers assist the planning group to compile community development plan document which should include the results of the participatory social assessment (PSA), development plan chart and annexes. The template for CDP documentation is in **Annex 5**

The CDP document should be prepared in the predominant language with a summary made in either Kiswahili or English. It should describe priority development needs of the community regardless of the funding source. The completed CDP is then presented to the larger community for ratification.

❖ Ratification of Community Development Plan

A meeting for the whole community is convened to present and ratify the CDP. It is attended by local leaders, women, youth, occupational groups, the poor, disabled, elderly, landless, ethnic and or religious groups. The presentation of the CDP is done by the community group that developed the CDP, assisted by the field officers or staff from partner agencies.

The presentation should focus on showing that the CDP is:

- Consistent with the analysis of resources, potential, problems and solutions during the PSA exercise;
- Capturing the existing institutions and on-going development programs or projects, if any;
- Realistic and feasible with regards to capacities of the community;
- Going to make use of community's resources;
- Including the interest of most of the community members and groups, including the disadvantaged groups in the community.

Community members present are given opportunity to make comments and then ratify the CDP as their own document highlighting their priority development needs, regardless of the funding source.

❖ Identification of ECCL Sub-Projects

During the CDP ratification meeting, the field officers and partner enterprises staff guide community members to identify activities in the CDP which are eligible for support by KEMFSED Project. The meeting is informed about eligible sub-projects, different categories of the ECCL sub-projects, the thresholds and conditions for each category. Examples of eligible sub-projects ("positive list") are in **Annex 6**.

Community members use this information to come up with list of priority sub-projects using the criteria which include:

- Number of beneficiaries;
- Number of poor and marginalized beneficiaries;
- Urgency and immediacy of the need to be addressed;
- Capacity to implement, operate and maintain the investment;
- Community capacity to contribute to the costs of the priority sub-projects.

The list of prioritized sub-projects for Project funding must be agreed upon by all members of the community and groups present at the meeting. If there is a disagreement on the list, then community should vote for the priority sub-project by secret ballot.

The field officers should ensure that the priority list includes sub-projects that will benefit the women, youth and the VMGs in the community.

❖ Selection of CIGs for the ECCL Sub-Projects

The sub-projects will be implemented by community groups (CIGs or CBOs) which must have participated in the PICD training in the target community. Interested members of the community who participated in the PICD training but do not belong to any CIG will be assisted to form groups to qualify for the sub-projects funding after going through the group formation process.

The selection of CIGs for the sub-projects will simply involve the groups and community members declaring their interest during the CDP ratification meeting and getting a general approval from the villagers.

Local NGOs working with communities within the project areas but preferably within the Priority area 1 (withing 5 km of the coastal areas) and with already projects working in environmental coastal and marine issues (seed production, marine litter, mangrove restoration, coral restoration, fisheries control, etc) can also apply.

Eligibility criteria for the CIGs are discussed in detail in **section 4.3** of the manual.

❖ **Sub-Project Concepts**

Interested and eligible CIGs will be given one week to prepare concepts on their sub-projects using the form in **Annex 7** and submit to the CPIU. The CPIU and the field officers will review the concepts within one week, based on the areas captured in the form. A meeting will be convened in the village to give feedback to the community and agree on concepts to be developed into full proposals. The meeting will be attended by the village leaders and all the CIGs that submitted their concepts.

During the meeting the field officers will give feedback on the outcome of the review of the concepts. The community members will discuss and agree on the concepts to be developed into full sub-proposals to be presented to the Project. Once the consensus is reached, the leaders and community groups present will endorse the list of successful sub-projects concepts as a sign of community approval.

The CPIUs will inform CIGS if their concepts were approved or not in less than 7 calendar days in written (email or letter) and copy the NPCU. The letter will explain the rationale why the sub project was selected or rejects (if rejected indicate the areas to improve for next call).

3.2.2. Writing of Sub-Project Proposals

The CIGs will be assisted by field officers and staff from partner commercial enterprises to prepare sub-project proposals using the format in **Annex 8.** They will be supported to come up with practical sub-project activities, budget and monitoring strategy. It is estimated that the CIGs will take two weeks complete the proposal form and compile the required documentation. The project proposals are to be prepared either in Kiswahili or in English. They should be typed or neatly handwritten and forwarded to the CPIU in hard copies. At the CPIU, the County Technical Assistants will be responsible for receiving and recording all the proposals from the CIGs.

3.3. Appraisal of Sub-Projects (Stage 2)

The sub-projects will be appraised based on the documents submitted to the CPIU by the CIGs. The primary or initial screening will be done by field officers and the staff from the selected Strategic Partners (when applicable that CIGS and CBOS are related to the SP project area). The technical appraisal will be done by the CPIU with the assistance of the county technical officers. The proposals which meet the appraisal criteria will be recommended for funding.

The screening, appraisal and decision making on sub-project proposal applications will take a maximum of three weeks.

3.3.1 Environmental and Social Screening

All the proposed sub-projects will be screened for environmental and social impacts and risks. The CIGs will use the ESMF screening checklist form to screen their sub-projects, with the assistance of the field officers. The screening checklist will serve two purposes: it will be an indication of the scope and magnitude of impacts and therefore specific mitigation measures needed; and secondly, it will also indicate the beneficiaries' capacity gaps and therefore identify any required training. The completed check list will be submitted to the CPIU, together with sub-project applications/proposals documentation. The CPC and County Director of Environment (CDE) will review the sub-project applications/proposals screening checklist and will sign off. The CIGs will be informed of requirements to comply with the safeguard policies.

The ESMF screening checklist and review form is presented in **Annex 9**

3.3.2. Initial Screening of Proposals

The field officers shall conduct the initial screening of the sub-project proposals by the CIGs. The officers will mainly check CIG's eligibility and compliance with the documentation, financial and technical submission guidelines. The proposals which do not meet the primary screening requirements shall be sent back to CIGs with reasons for their referral. The affected CIGs will be allowed to re-submit these proposals to the CPIU after making the necessary corrections. The checklist for the initial screening is shown in **Annex 10.**

3.3.3 Technical Appraisal of Proposals.

The technical appraisal of sub-projects will be done by the CPIU on a rolling basis, with the assistance of county technical officers and CC2. The criteria and conditions that will be considered when evaluating the sub-projects include:

- The sub-projects should address a socio-economic need that has been clearly identified by the community groups (CIGs or CBOs) and captured in the CDP;
- The benefits of the sub-projects should be broadly targeted to the communities, especially to economically disadvantaged members and women;
- Sub-projects should demonstrate a high degree of community initiative and ownership including:
  - Willingness to contribute not less than 10% of project investment in productive or livelihoods and economic enhancement sub-projects in cash or in kind;
  - Agreement to guarantee operation and maintenance for all sub-projects;
  - Where applicable, environment and natural capital sub-projects of 'public good' in nature, where labour is required, will be remunerated;
  - The projects must be technically feasible;
  - They should be socially and environmentally sustainable (this will be evaluated with the help of a screening mechanism, which also includes measures to avoid and reduce extremely

negative social impacts such as economic and physical displacements);

- Projects in areas with VMG populations will need to be cleared by a VMG screening structure to avoid adverse impacts on VMGs and to include them as much as possible in the group of beneficiaries;
- They should be sustainable and cost-effective;
- Women should have been encouraged to participate appropriately in the planning of the proposed activity.

❖ Before any infrastructure under social welfare project proposal starts being processed, a field appraisal of the proposed project by CPIU will be necessary. The objective of the field appraisal will be to review and apply a checklist developed for purposes of ensuring the process of infrastructure development is correctly and transparently followed. The appraisal will check the following:

- Whose idea it was to formulate the proposal;
- The process the proposal has gone through at community level;
- Degree of gender participation;
- Environmental considerations;
- Community contribution and how this will be made;
- Land availability and ownership for infrastructure that require land for implementation;
- Level of community participation in project identification and formulation.

The CPC will form a panel of 3 officers to conduct the appraisal using the scoring guidelines in **Annex 11.** The panel will consist of one CPIU staff and two technical officers from the relevant county departments, selected based on the nature of the proposals. A sub-project proposal will be appraised by two technical officers using the agreed criteria and weighted scoring system. The technical officers will be given a copy of the proposal to appraise individually.

The panel will be reconvened after 3 days for the technical officers to submit their individual scores and written recommendations or explanations on the weakness of the appraised proposals. The scores will be averaged to get the total score for each proposal appraised. The panel will then collate and rank the proposals using these scores, with the ones getting 9 points or higher being recommended for further processing for ECCL grants support. The CPIU staff in the panel will submit a summary report of the technical appraisal to the CPIU, together with all the appraised proposals.

The CPC will prepare and submit a summary report of the sub-project technical appraisal to the CC2 and NPCU for information. The successful CIGs will be informed of the outcome of their application and the impending processes before grant disbursement. The unsuccessful CIGs will be informed and provided with reasons as to why their proposals did not qualify for funding. They will be informed that their proposals may be re-submitted for consideration after addressing the shortcomings. The CPIU will display the list of CIGs on the public notice boards at the county and sub-county offices for transparency and accountability. The outcome of the technical appraisal should be disseminated to NPCU and the CIGs concerned within one week after the appraisal.

3.4. Making Commitment Agreement (Stage 3)

After choosing the sub-projects which meet the technical appraisal criteria, the CPIU and benefiting CIG shall enter into a Memorandum of Understanding (MOU) or Agreement, specifying the commitment of the Project to grant funds and of the community to use the funds for the agreed purposes. The MOU shall also specify how the sub-project implementation will be monitored and what sanctions will be imposed if the funds are misused. The CPC will sign the MOU on behalf of the County. The Chairperson, Secretary and Treasurer of the CIG will also sign the MOU on behalf of the CIG. The CPIU and the CIG will each keep an original copy of MOU. The draft templates for Commitment Agreement and Grants MOU are in Annex 12 and 13.

3.5. Implementation of Sub-Projects (Stage 4)

The funded CIGs shall implement the sub-projects with the technical advice and assistance from field officers and staff from partner enterprises. They shall also require the help of contractors, suppliers or consultants selected based on procurement procedures acceptable to the Project, as outlined in chapter 5 of the manual.

Sub-project implementation activities are as follows:

a) Initial Training of Community Groups

After signing of the commitment agreement, the CPIU will conduct a mandatory training on financial management and procurement for the Project Management Committees of the sub-projects to be funded. The training will be conducted by the CPIU's finance and procurement officers, assisted by the Project Technical Assistants and staff from partner agencies.

b) Disbursement of Funds to Sub-Projects

The funds will be disbursed to the CIGs and CBOs in tranches, upon completion of the pre-financing activities. The number of tranches will depend on the nature of the sub-projects but will not exceed four. Some sub-projects, like value addition for local goods, may have only one tranche disbursement for the supply, installation and commissioning of value addition equipment.

Subsequent tranche funding will be done upon successful accounting (i.e. submission of financial returns to the CPIU showing funds disbursed and how it was spent; and the financial return should be signed by at least three community officials) for the first disbursement (see **Annex 20** for the format for 'Accounting for Tranche Grants Disbursement').

To limit cash movement, some livelihood or productive sub-projects will be funded through Cash Vouchers System, Closed Voucher System (CVS) or Voucher system of payment that has been successfully used in any of the target counties. In this system vouchers will be issued to the CIGs for procurement of inputs from the vendors identified and pre-qualified by the CPIU. The CPIU will procure several vendors or stockists to supply the required production input for aquaculture and agricultural production. The vendors or stockists will receive the vouchers from the beneficiary groups in exchange for the required input and redeem the vouchers at the CPIU, as stipulated in other sections of this manual. (Guidelines for Voucher System of Payment are in **Annex 15)**

c) Training of Community Groups

The community groups will receive technical training during implementation of sub-project activities. The training will be through training workshops, onsite mentoring and coaching, support supervision, information sharing, exchange visits. More information on community training is in section 4.8.1 of the manual.

d) Technical Support to Community Groups

The technical support to community groups will be provided mostly by field officers and staff from partner enterprises, assisted by the two County Technical Assistants from the CPIU. The technical support will include identification of eligible sub-projects and CIGs to implement the sub-projects, preparation of sub-projects, guidance on procurement of works, goods, equipment, capacity building and training services and monitoring, evaluation and reporting on ECCL investment.

e) Community Contributions Mobilization

The CIGs will be expected to mobilize their contributions for the implementation of the sub-projects, as specified in the approved sub-project proposal and the grant agreement. The contributions required during this period will mostly be in-kind contributions including unskilled labor, local materials, donated supplies, equipment and other goods. The PMC will be responsible for ensuring that the community contributions are timely so as not to delay project implementation. The field officers will assist sub-project PMCs in establishing and recording these contributions, which will be recorded in the register and reported monthly, together with the KEMFSED Project funds expended.

f) Community Procurement of Goods and Services

The CIGs and CBOs will start the procurement activities after receiving the first disbursement of the grants from the Project in the form of a cheque and/or cash vouchers. The mode of procurement will largely depend on the budget value of the contract that is contemplated. The Project Management Committee of the CIG will undertake all the procurement of works, goods and services for the implementation of the sub-projects, based on the approved procurement plan. The field officers will provide the necessary technical backstopping to the PMCs. The details of the procurement processes are presented in Chapter 5 of this manual.

g) Production of Information, Education and Communication (IEC) Materials

The IEC materials will be procured for use in training, publicity, sensitization and awareness creation, community capacity building, visibility and branding of Project assets in the target communities. The procurement of these materials will be done at the county level (CPIU) and will include: shirts, blouses, T-shirts, umbrellas, raincoats, caps, lessos, vikois, bags, radio announcement, banners, posters, flyers, brochures, newsletters and bulletins. This will be done annually as different areas are targeted and reached.

Production of IEC materials for the implementing communities will include a summary of the PGM into a handbook, grants application forms and any other documents that may be needed such as MoUs, Commitment Agreement forms, etc. Depending on the level of use i.e. whether project-wide or countywide, the materials will be produced and or procured at national and county levels based on the threshold as stipulated in the PGM and Procurement Manual.

The sub-projects will be branded by the CPIUs to avoid double dipping by beneficiary groups and to justify the use of funds sourced from other agencies. Information on the signboards, billboards and wall painting will be comprehensive, including the name of the CIG or CBO, funding levels, intervention being implemented (sub-project), community contribution, if any, and any other relevant information or data that will be specific to the sub-project.

h) Management of Sub-Projects Funds

The CIGs will be responsible and accountable for the use of sub-project funds which should be spent optimally to achieve value for money. The CIGs will be expected to comply with all the guidelines, regulations or financial and procurement procedures put in place by KEMFSED Project. The CIGs and CBOs will be trained on these procedures and provided with the relevant tools and technical support to enhance their capacity to effectively manage project funds. These procedures and tools are discussed in details in chapter five of the manual.

i) Supervision, Monitoring and Reporting

The CIGs and CBOs will be expected to routinely monitor and report on the progress of their sub-projects, using reporting tools developed by the Project. The Project will provide training and sustained facilitation on M&E systems, tools and procedures to community groups, county technical staff and strategic partners, CPSCs and CPIUs. The field officers will train and provide facilitation support to the CIGs and CBOs in participatory M&E and maintain regular interaction with these community groups. The CPIUs will ensure that the funds for the M&E functions are sufficiently catered for in their work plans and budgets. The CIGs and CBOs will include in their sub-project proposal appropriate measures for monitoring the implementation of the proposed project activities.

3.6. Sub-Project Closing (Stage 5)

Sub-Project closing occurs when the activities have been fully implemented or ceased at the end of the signed community grant agreement end date. It is expected that most sub-projects will reach this stage within one year after the start of implementation. The close-out will mainly involve final inspection of the sub-project by the field officers and partner agency staff, who provided the technical backstopping during implementation. The CIG will submit the final financial report and sub-project completion certificate form to the CPIU. The completion certificate form will be endorsed by the CPIU and relevant technical officer.

The field officers will organize a social audit meeting for local project stakeholders at the sub-project site. The half a day meeting will assess the sub-project implementation process, the quality and cost effectiveness of the physical structures where applicable, quality and value of training conducted, immediate impact of sub-project activities on household livelihoods, positive/negative environmental impacts and lessons learnt for future improvement on project design and implementation. The completion certificate is issued to the CIG during the social audit meeting, marking the official closure of the sub-project. The CPIU after that prepares a hand-over note with recommendations to the Participating Counties.

CHAPTER 4:

ENHANCED COASTAL COMMUNITY LIVELIHOODS (ECCL) GRANT ADMINISTRATION

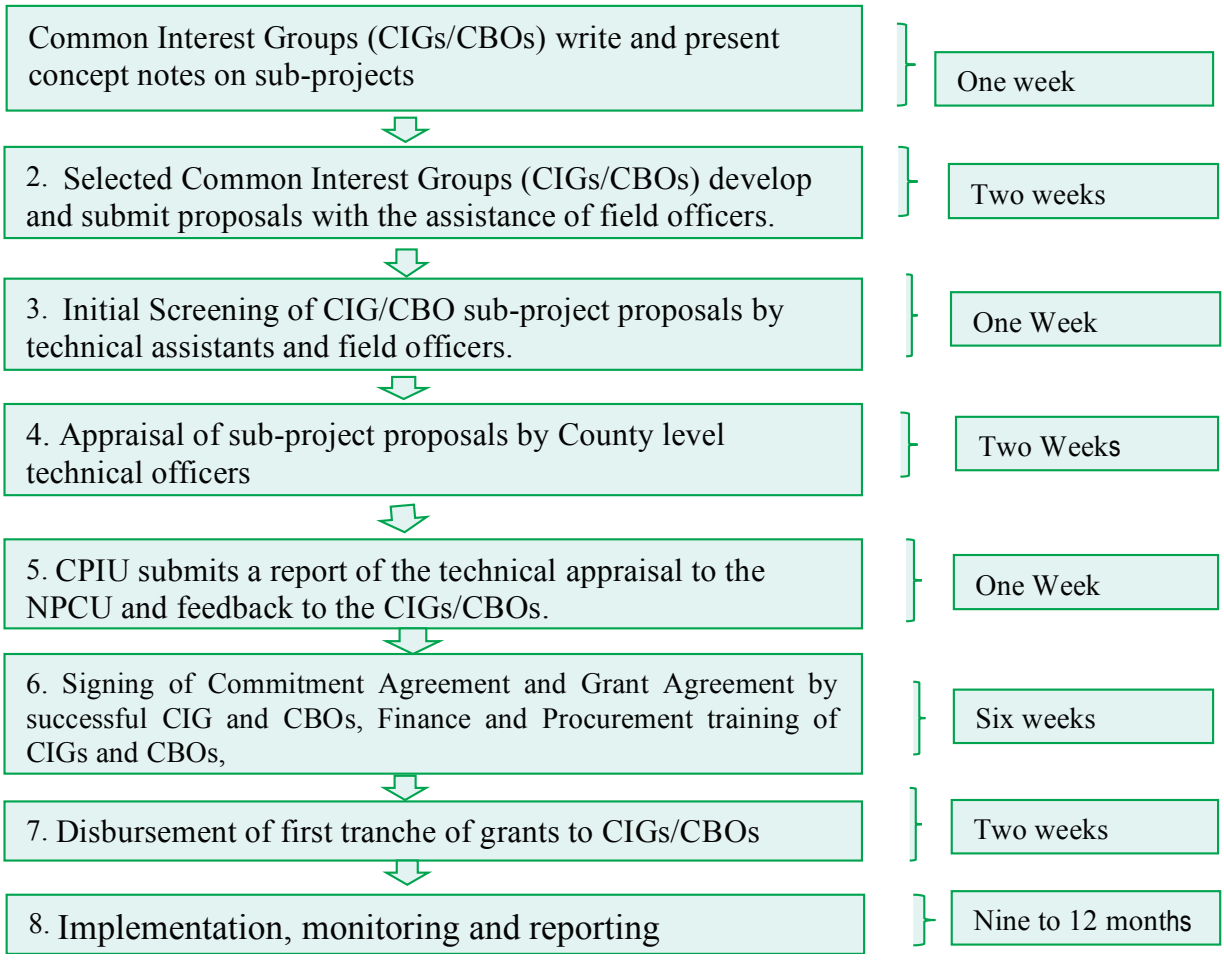
This section provides an overview of ECCL matching grants financing, governance and accountability processes and procedures. It has the following sub-sections:

4.1 Overview of ECCL Grants Processes and Procedures

The ECCL grants scheme will follow a defined pathway starting from when the CIGs and CBOs prepare sub-project concepts and proposals after identification of eligible sub-projects from the community development plan, at the end of PLA phase of the PICD process. The proposals pass through several stages, each with its own role and relevance to the ultimate successful implementation. It will take around 12 weeks before a successful proposal reaches implementation stage. During implementation, monitoring of the sub-project will be done by field officers, county technical officers and CPIU to ensure successful implementation. Completion certificate will be awarded to the CIG, upon successful completion and inspection of the sub-project.

The process is as depicted in figure 2 below.

Figure 2: Proposal Funding Process



4.2. Types of Grants (Investment Windows)

The ECCL sub-component will provide grant funds to eligible groups through three investment windows or channels as follows:

❖ Productive or Livelihoods

This category of grant will support production-based livelihood and economic enhancement sub-projects.

The window will support:

- Sub-projects implemented mostly by individuals in groups and will directly contribute to raising income or providing other direct benefits to group members. Implementing groups will have fifteen (15) to thirty (30) members implementing sub-project activities. At least 50% of the subprojects will include groups lead by women, formed completely by women, youth and VMGs (described in the section xxx) and other vulnerable groups
- Sub-projects that collectively raise income or provide other direct benefits to members of the CIG. Possible activities could include investment in value addition to local products, e.g. fish processing, peanut butter making, honey packaging, canning of fruits, mariculture including seaweed farming, etc;
- Complementary livelihood activities to groups that previously engaged in activities that were detrimental to marine fisheries and other coastal resources;
- Around twenty thousand (20,000) house-holds in the Project target area;
- 90 percent of the cost of the sub-projects while the beneficiary group will contribute the remaining 10 percent, in cash or in-kind or both; for fisheries sub-projects with offshore fishing boats or mariculture, the community contribution shall be 5% of the sub-project cost.
- Groups that perform exceptionally well and require additional funding to either expand or upscale their projects may be re-financed based on a performance assessment scale as captured in the monitoring and evaluation tools;

Examples of possible sub-projects under this category are presented in Annex 6 of the manual.

❖ Social Welfare

The grant will support sub-projects benefiting the whole community or a large section of the community by promoting services and actions that enhance social wellbeing of the target community.

- The social welfare sub-project will be implemented by CBOs or CIGs with a larger membership than the CIGs implementing livelihood or production-based sub-projects. Additionally, relevant government department/institution can be considered where interest has been expressed.
- Priority investments will include improvement of educational facilities, medical facilities, youth development/resource centres, social halls, water facilities, sanitation facilities (boreholes, water storage, rain water harvesting, other), mama karangas meeting or selling vendor points, and any other eligible social area that may be identified by the target community.

- The grant will support the cost of the infrastructure and equipment required to make the facility functional, including reasonable costs for connection to water and electricity.
- The beneficiary community will make in-kind contribution in terms of labor and materials towards these sub-projects. The level of this contribution will be decided by CPIU on a case by case basis but will not exceed ten percent (10%) of the total cost of the investment, excluding land.
- Social welfare infrastructure sub-projects will be implemented with the assistance of the PCIU through normal procurement process to identify contractors.
- The NPCU and the CPIUs will approve only those subprojects where the Ministry/ department in charge provides evidence or counterpart funding that demonstrate the place will be operated by them and staffed adequately, for instance: see below
- It is recommended to the NPCU and the CPIUs to coordinate with other World Bank projects operating in the same counties and build synergies where KEMFSED has no expertise.

Water provision: excavations of boreholes, connection of well to a community, water harvesting from other source, water distribution pipeline,	County Water agency or national water agency to support the subproject with water quality assessment, water availability study and definition of water management system – and fees needed to be sustainable
Health facilities: Level 1 community facilities and Level 2 dispensaries.	County Health agency responsible agency on health to finance the nurses or doctor needed to have the facility operated and operational cost (medicines, alcohol, etc).
Education facilities: please indicate what are the preferred investment Additional classrooms to existing schools or new schools	County Education agency or national responsible agency on Education to finance the teachers and administration needed to have the facility operated and operational cost (water, electricity, chairs, desks, etc).

❖ Environmental and Natural capital

These are sub-projects which promote environmental conservation and sustainable use of natural resources in the Project area.

The sub-projects will be identified during community PICD process trainings and included in the community development plan (CDP).

- The funded investments will be marked by their public goods nature as they will benefit the whole community or a large section of the target community or communities. As such, Counterpart contributions will not be required for environmental sub projects, and community members who provide labor during implementation (environment sub-projects) may receive some remuneration for work done, and this will be decided on a case-by-case basis.

Examples of eligible investments are listed in **Annex 6** of the manual.

4.3 Eligibility Criteria (CIGs and CIG activities)

The community groups must meet the following criteria to be funded from ECCL grants:

4.3.1 General Criteria

The CIGs and CBOs must meet the following general conditions:

- The groups must have some form of registration and a current registration certificate;
- The registration of the eligible community groups must be with an institution recognized by the Government of Kenya such as: Department of Social Development, Kenya Forest Service, Kenya Fisheries Service, Department of Cooperatives, Office of the Attorney General and or specially dedicated support will be given to fisheries families, foot fishers, women foot fishers, mama karangas and others who do not belong to any group or are registered CIGS
- Must have participated in the PICD process training in the target community;
- The community group must have someone that can write and speak English and submit a sub project proposal as per the guidelines of Project;
- The group must provide the names and signatures of at least three of its management committee members when submitting the proposals;
- The group must open a current bank account for the sub-project to be funded.

4.3.2 Specific Criteria

Apart from the criteria outlined in section 4.3.1, the CIGs must also meet the following specific conditions:

i) Productive or Livelihoods and Economic Enhancement Sub-Projects

❖ **CIGs**

1. The CIG must have from 15 to 30 member households who are direct beneficiaries of the proposed sub-project;
2. For boat sub-projects the above requirement (1) shall not apply; CIGs can be less than or more than 30 with a minimum of 7 members
3. Meet 10% of the total cost of the proposed sub-project;
4. The requested fund for proposed activity must be within KES 2.1 to 4.2 million ceiling for this category (US$ 1,000 at exchange rate of KES 140 per beneficiary);
5. The requested fund for fisheries sub-projects involving procurement of fishing boats, the ceiling will be 10 million. To ensure fisheries resources sustainability and achievement of the PDO, detailed guidelines and specifications for support of fishing boats and equipment are developed (Annex XXX)
6. All beneficiary CIG members must be from different households;
7. The CIG should not have received funds from other ongoing World Bank funded initiatives in the county
8. The CIG must be willing to abide by the provisions of the Project;
9. Out-growers or contract farmers' groups must have an existing contract agreement with

the Strategic Partner (private commercial enterprise) operating in the target community.

ii) Social Welfare Sub-Projects

1. The CIG/CBO implementing the proposed sub-project should have a larger membership of more than 30 households;
2. For existing and well established groups with less than 30 members, the above requirement (1) shall not apply;
3. The proposed sub-project proposals can be submitted by user departments or institutions that shall house the facility such as hospital's board, school board of management (BOM) etcand a Project Management Committee (PMC) formed with representative from the community. Official letters must be provided by the lead Ministry for assurance to ensure utilization of the installation
4. The proposed sub-project must be within the funding ceiling for this category of KES 10 million;
5. Confirmation by relevant technical department/agency that the budgeted resources are adequate to complete construction/installation of the proposed facility;
6. Give a statement that the same project is not being funded by another agency/partner;
7. Must clearly show how the proposed facility/infrastructure will be staffed, operated and maintained;
8. Show that the land/asset required for the sub-project is available and is voluntarily donated; the local land ownership procedures/arrangements suffice where no legal land ownership documents are available;
9. Show the social benefits (positive impacts) and the number of people who will benefit from the proposed project;
10. Show that the proposed project has no negative impact on the environment that cannot be mitigated.

iii) Environmental/Natural Capital Sub-Projects

1. The CIG/CBO implementing the proposed sub-project should have a larger membership of more than 30 households; and a proposal submitted by an NGO involved in conservation within the area can also be considered;
2. For existing and well established groups with less than 30 members, the above requirement (1) shall not apply;
3. The applicant should be an authentic environmental conservation CBO operating within the target county. Newly formed groups in the target community with interest in environmental conservation or natural resource management will be allowed to apply for grants in the sub-sequent years;
4. Agencies submitting their proposals will be required to provide a statement that the same sub-project proposal is not being funded by another agency/partner;
5. The proposed sub-project is within the specified funding ceilings for this category- KES 5 million;
6. Where the environment sub-project application is through a CIG, there shall be an associated/ integrated livelihood activity for a ceiling amount of KES 2 million;

7. Must clearly show how the sub-project will be sustained;
8. Provide proof of availability of the land/asset required for the sub-project;
9. Show the expected positive impacts and the number of people who will benefit from the proposed project;
10. Provide proof that the sub-project will be completed within six months prior to KEMFSED Project closing.

4.4. Eligibility Criteria for Subsequent Sub-Project Funding

The CIGs funded previously can apply for second funding provided they meet the following criteria:

- Must have successfully implemented the activities of the first sub-project and issued with a completion certificate;
- The groups must apply for funding in the same line, for productive and livelihood sub-projects for scaling up. For example, the groups funded for dairy cows related sub-project and have done so well and are producing a lot of milk, may apply for funds for milk packaging sub-projects;
- Are applying for funding for a different category of sub-project from the previous one, for social and environment sub-projects.

Examples of the eligible sub-projects which can be supported through the various windows of the ECCL grants are shown in **Annex 6** of this manual.

4.5 Community Contributions

This is discussed in sections 1.2, 2.5 and 3.6 of this Manual. In-kind contribution may be in the form of skilled and unskilled labor and materials. The value for in-kind contribution must not exceed either the actual costs borne and duly supported by accounting documents or the costs generally accepted based on existing market rates

- Productive or Livelihoods/ Economic sub-projects will attract a community contribution of 10% of the project cost in cash or in kind.
- Contribution for social welfare sub-project will be in-kind, flexible and determined on a case by case basis. The sub-projects will also be implemented with community contribution for operation and maintenance (O&M) cost in consideration. Communities will innovate ways of generating funds for O&M.
- Natural capital and environmental management sub-projects with public good will not require community contribution; and where needed, labour will be remunerated.

Table 3 shows contribution for each category of sub-project grants.

Table 3: Community (CIG) Contribution

Category of Sub-Project	Minimum Community Contribution (% of total Cost)	KEMFSED Project Maximum Contribution	
	Cash or In-Kind	% Total cost	KES
1. (a) Production-based Livelihoods & Economic Enhancement	10 %	90	4,200,000
(b) Fisheries sub-projects with offshore fishing boats or mariculture	5%	95	10,000,000
2. Social Welfare sub-projects	In-kind and flexible but not more than10%		10,000,000
3. Environment/Natural capital	0	100	5,000,000
4. Environmental/Natural capital with integrated productive sub-project	0	100	2,000,000

4.6: Proposal Appraisal Criteria

The proposed sub-projects will go through initial screening and technical appraisal by field officers and the CPIU as elaborated in sections 3.3.2 and 3.3.3 of this manual.

4.7 Grants Disbursement Process

After technical appraisal of the sub-project proposal by CPIU, successful CIGs will sign a sub-project grant agreement with CPIU. Sub-project funds will be disbursed to the CIGs in tranches, in line with the milestones indicated in the work plan of the approved proposals. The number of tranches will depend on the nature of sub-project but will not be more than two. More information regarding grant disbursement as shown is in **section 5.1.3.**

4.8 Sub-Projects Implementation Modalities

4.8.1 Training Technical Officers and Community Groups

The Project will support the training of field officers, staff from partner commercial enterprises and beneficiary Common Interest Groups and Community-Based Organizations to build their capacity for successful implementation of Component 2 activities, including ECCL investments. The training will be conducted by county technical officers after being trained as TOTs by the Project. Most of the training will be conducted in the target communities (on-site). The CPIU's support will include facilitators' meals, transport, training material, venue and refreshments for community and farmers group members, where necessary. The project technical assistants and field officers from partner agencies will prepare work plans and budget for community training from the approved sub-project proposals and submit to the CPIU for approval and funding. The CPIU will include community level ECCL training activities in its work plan and budget for NPCU funding. It will also carry out the training needs assessment before coming up with the training program which must be approved by the Chief Officer in charge of fisheries in the county. The training that will be conducted under Component 2 to facilitate ECCL investments and technical support services include:

❖ PICD Training

◆ Training of Trainers and Mentoring

The Project will conduct a Training of Trainers (ToT) on PICD for a small team of county officers (10 per county) who will train other relevant county staff. This training will be conducted once during the project implementation period (YR 1) by a consultancy firm procured by the NPCU. In YR 3, the CPIU will conduct a review of the CDPs developed in YR 1 of project implementation.

◆ County Technical Staff Training

The county staff inducted by the PICD consultant as ToTs will conduct the same training to the larger county technical officers and key staff from line departments (30 officers) that will support the outreach process.

◆ County Extension staff:

The county officers trained at the county level will conduct PICD training to the sub-county and ward level extension officers.

◆ Community level:

PICD training at the community level will be provided by the CTAs, county technical officers and sub-county and ward extension officers. They will take the targeted communities through the PICD training concurrently in the 98 wards in the target 19 sub-counties in 5 Counties in a staggered manner to deliver the estimated 20,000 households in CIGs and CBOs over the five-year project period.

❖ Community Livelihoods Skills Training for Grant Recipients

The CIGs and CBOs that participate in the PICD trainings will develop and submit proposals for the identified and prioritized sub-projects to the CPIU. They will be trained by the relevant county technical line departments on the skills related to the proposed interventions. During sub-project implementation the CIGs or CBOs will be mentored and trained on basic skills on production on need basis. Where special training needs are required, the CC2 together with the CPC and CPIU will source for a specialist to provide such trainings.

❖ CIG and CBO Training and Mentoring by County Staff

This will be provided by county ToTs and technical officers. The training will involve all relevant departmental officers engaged in component 2 implementation including county, sub-county and ward fisheries, agriculture, livestock, trade, community and social development, gender, environment, cooperatives, forestry, health, and youth officers. They will in turn train and mentor the grant recipients. The mentoring and training will capture areas including: management of grants for livelihoods/ economic enhancement; social welfare and environment/ natural capital grants. The training will be community-led and demand-driven and will address areas including those scheduled in the training programs as captured in the KEMFSED Project County Training Plan (CTP).

❖ Project Management Committees (PMCs)

Where required and established, sub project PMCs will be trained and capacity build in areas relevant to the sub-project implementation. The PMCs will need to understand aspects of group management including: group dynamics and networking; sub-project financial and procurement management; fund rising; volunteering; monitoring and evaluation; cross-cutting issues and report-writing. The training will be provided to the qualified groups before grants are disbursed to mitigate against inherent risks in grants management and during sub-project implementation. Training and mentoring consultancy service support may be procured to conduct training and mentoring on provision of enterprise and skills to county/national staff as ToTs if such a need arises, otherwise such support will be sourced from the relevant county departments.

❖ Exchange visits for community/technical staff

This will be conducted annually for 3 project years commencing in year two (2). This will be conducted for identified community groups as experiential learning, exchange visits or peer-to-peer learning visits to similar, successful, completed or on-going projects on a competitive basis. There will be external and internal exchange visits for best performing groups based on the results of the annual exhibitions where beneficiary community groups will show-case their achievements. An estimated 5 CIGs per county per year will benefit from this activity. The county and national project staff will benefit from internal, external and south-to-south visits on identified project thematic areas on need basis.

❖ Component Coordinators Training

CC1 and CC2 will also be trained on cross-cutting issues and technical skills to assist communities in improving project design, as well as on the implementation of the Environmental and Social Management Framework (ESMF) as it relates to the screening and assessment of ECCL sub-projects and the associated social safeguard instruments. Additional training will include participatory M&E, as well as procurement and financial management to provide support to the community procurement process, and methods of participatory impact monitoring for the safeguards instruments implementation.

❖ Report Writing Skills Training

This training will provide communities with reporting tools to enable them capture data that will be consolidated, analysed and fed into the KEMFSED Projects' Integrated Management Information System (IMIS) and results framework (RF) table capturing the PDO and intermediate level indicators.

❖ Professional Training for County Technical Staff

Capacity gaps identified among county and national project staff by the NPCU, CC2 and CPIU will be addressed by the relevant staff members being recommended for professional training and/or capacity building through short or long courses as will be deemed appropriate. This will include professional training related to the implementation of the project that may impede efficient delivery of the PDO.

4.8.2 Technical Support to Community Groups

The technical support to community groups will be provided by four technical assistants hired by the Project, technical staff from relevant county departments and field officers from collaborating private commercial enterprises.

The technical support to community groups by these staff will include:

- Identification of eligible sub-projects from community development plans (CDPs);
- Identification of eligible community groups to implement the sub-projects;
- Preparation, management and oversight of sub-projects;
- Guidance on procurement of works, goods, equipment, capacity building and training services;
- Enterprise and skills training to grant recipients and other micro-enterprises.

CHAPTER 5:

FINANCIAL MANAGEMENT & PROCUREMENT

This section provides guidelines for planning and managing procurement and finances by the CIGs and CBOs benefiting from Project support. The guidelines set out procedures for handling project finances, recording of financial information and ensuring that internal controls are well maintained. It also provides guidance on how communities will manage procurement of goods, works and services for the funded sub-projects. The guidelines are presented under financial management and community procurement sub-sections.

5.1 Financial Management

The financial guidelines set out procedures for handling project finances, recording of financial information and ensuring that internal controls are put in place and are well maintained, under the following headings:

5.1.1 Budget Preparation and Approval

The beneficiary community groups will prepare a budget to determine the resources they will require for sub-projects' implementation and for preparing funding requests to cover expected expenditure during implementation.

The budget should be prepared by all members of the group during sub-project proposal preparation and should cover the following:

- Key activities to be undertaken during the targeted implementation period;
- Resources required for accomplishing these activities (labor and other inputs to be procured/required for each activity to be undertaken);
- Cost of all the activities and inputs listed above and the total cost;
- Sources of funds (Development partners, financial institutions and CIG contribution) and the expected amounts for these activities.

5.1.2 CIG Bank Account

The CIG or CBO shall open a designated current account in a reputable commercial bank in the project area, with authorization (introduction letter) from the CPIU.

- The account will have four signatories: Chairperson; Treasurer; Secretary and one member of the PMC.
- Any three signatories can sign at any given time.
- The account shall only be for activities related to the implementation of the proposed sub-project.
- Any withdrawals from the account must be accompanied by minutes of the CIG meeting authorizing the withdrawal and which must be endorsed by the CPC or officers delegated by him/her.

5.1.3 Funds Flow

Funds flow refers to the process of channelling funds from the CPIU account to the bank account of the beneficiary community groups.

Disbursement of funds to the CIGs will be based on the work plans and budgets for the sub-project, as well as disbursement schedule indicated by the CIG in the approved proposal.

- The CPIU will disburse funds to the CIG Bank account in tranches (instalments) based on work plans and budgets for the project, as well as disbursement schedule indicated by the CIG in the proposal and the commitment agreement signed with the Project.
- The tranches will be based on realistic requirements for each sub-project, as determined by the relevant technical officers. A maximum of four tranches will be allowed but most of the sub-projects are likely to have two (2) tranche disbursements.
- The CIG or CBO shall apply for the subsequent disbursement which must be recommended by the field officers and staff from partner enterprises and approved by the CPC.
- The subsequent payment(s) will be based on periodical progress reports and verified milestones shown in table 4 and in section 4.7.

Table 4 : Activities for Tranche Disbursement

Tranches (Instalment payment)	**Activities** (Activities which must be accomplished before receiving ECCL grant)
1st Tranche (Instalment 1) The amount requested for implementing stage 1 activities as per the approved sub-project proposal.	**1. Productive or Livelihood and Social Welfare sub-projects** a) Sub-project MOU signed between the CIG and KEMFSED Project. b) 10% community contribution in cash or kind is available or guaranteed. c) The CIG has opened a current bank account and received a cheque book. d) Project Management Committee has been formed, trained and operational. e) Initial community sub-project activities to be undertaken before receiving the grant are on course or completed. **2. Environment sub-projects** a) A sub-project MOU signed between the CIG and KEMFSED Project b) Availability of labor is guaranteed c) The CIG has opened a current bank account and received a cheque book. d) The Project management committee has been formed and operational. e) Operation and maintenance plan is in place.
Subsequent Tranches (Instalments) Amount required for implementing the remaining activities as per the approved community sub-project proposal.	f) The previous tranche disbursement has been properly accounted for. g) All books of accounts and records are maintained and are up to date. h) Monthly financial progress reports are submitted to the CPIU. i) Over 80% of members of the CIG are actively participating in the implementation of the funded project. j) Sub-Project implementation is rated satisfactory and recommended for subsequent funding by the field officers. k) Information on the sub-project implementation publicly displayed by the group.

5.1.4 Payment Procedures

The funded community groups will pay suppliers, contractors or service providers using the following procedures:

a) Cheque Payment

Most of the payments shall be carried out by cheques as shown below:

- The cheque book will be kept by the CIG Treasurer;
- The Treasurer shall prepare payment vouchers for all cheque payments after confirming availability and validity of the necessary supporting documents (including minutes approving the transaction and a receipt or other document from the vendor describing the nature of goods/services received and endorsed by the CIG official to confirm that the goods/ services were received, including date and amount);
- The payment vouchers shall be approved by the Chairperson, after verifying details of the supporting documents;
- After approval of the voucher, a cheque shall be prepared and signed by any three of the four signatories;
- The signed cheque shall be submitted to the supplier;
- The payment vouchers should have the cheque numbers and payees written on them and should be properly filed;
- A file containing the payment vouchers, receipts together with copies of bank statements should be produced, to provide the required information on payments.

A sample of community payment voucher is presented in **Annex 14.**

b) Cash/ e-Voucher Payment

The procedure for paying for goods with cash vouchers will be the same as that for cheque payment except that the CIG members shall encash the cheque and pay the vendor in cash. For e-voucher payment, CIG members shall effect payment through the e-vouching system. Reference **Annex 15**

Where payments are below KES 10,000but to several payees, the CIG should prepare a schedule of the payments showing the date, payee, nature of goods/services and amount. Using the schedule, the CIG would make withdrawal of the cash required and pay each of the vendors who will sign on the schedule against their names. The vendors should indicate their ID numbers and phone numbers for verification.

5.1.4 Accounting Records & Controls

The grants for ECCL sub-projects are public resources that must be subjected to public accountability. The beneficiary groups shall keep proper books of accounts and account for all the funds received and used on the sub-project.

The following are the minimum financial records that will be required for a CIG that has received ECCL grants:

❖ Community Contribution Register

The register shall be used to record all in-kind contributions made by the community towards the sub-project's implementation.

- In cases where labor and materials cannot be raised due to the nature of the sub-project, e.g. procurement of equipment, CIG members will make their contributions in cash, which will be recorded in the register.
- The in-kind community contribution will be in the form of materials and skilled or unskilled labor. The CIG members will decide on who to contribute what, how, when and the value of the contribution made in kind.
- The PMC will ensure that the contributions are made on time, properly recorded and accounted for to allow for smooth implementation of the sub-project.
- The register will be kept by the PMC Secretary to record the following details: date of contribution; contributor's name and identity card number; amount or quantity of contribution; unit and total costs; and contributor's signature or thumb print.
- The PMC secretary will update the register as soon as community members submit their materials or labor at the correct valuation.
- The valuation method for the in-kind contributions will be output-based (e.g. length of water piping laid) or input-based (unskilled labor hours) depending on the nature of the activity.
- The value for in-kind contribution will not exceed either the costs actually borne and duly supported by the accounting documents or costs generally accepted in the area based on existing market rates.
- The PMC chairman will endorse the book and hand it over to secretary for transaction recording in the budget component control form on monthly basis.

The sample format for community cash and in-kind contributions are shown in **Annex 16 and 17.**

❖ Budget Control Form

The budget control form is used to summarize all the transactions recorded in the cash book and community contribution book.

- The PMC will use the budget control form to monitor the total amount spent on each sub-project budget category to avoid over expenditure.
- The PMC will prepare summaries for all the budgeted items as per the approved bill of quantities or project proposal listing.
- The actual amount spent for each budget category shall not exceed the budgeted amount. The CIGs must increase their contribution for the sub-project if the actual amount spent exceeds the budget, and the refund on the over expenditure must be done within 30 days).

A sample of the budget control form is given in **Annex 18.**

❖ Asset Register

The asset register records all the assets acquired by the CIG for the implementation of the ECCL sub-project.

- The assets may include buildings, machinery or equipment, wells, etc. and they should be labelled or branded.
- Each CIG will be required to keep an asset register to maintain proper and up to date record of all the assets.
- The register should be a hard-bound book or a spread sheet. It should have six columns showing: serial number (for machinery and equipment); date of purchase; purchase price; location; state of the asset and disposal dates.
- Condemned assets must also have destruction report by the relevant government officers.
- During the general CIG meetings the Treasurer will be required to provide an update on any changes that have occurred on asset list.

❖ Minutes Book

All matters discussed in the CIG or PMC meetings will be recorded in a hard cover minutes book and signed by the secretary and approved by the chairman in the next meeting.

- The secretary to the PMC and sub-committees shall take minutes of all the CIG meetings.
- The secretary will record the members present, those with apologies, the matters discussed together with the conclusions or decisions arrived at in the meeting.
- All the members present shall sign an attendance list (name, identification number and signature).
- The minutes for each meeting will be signed by the chairman.
- The minutes book will be available to community members interested in reading it and the secretary will be required to avail the book upon request.

5.1.5 Financial and Progress Reports

- Community groups shall prepare and submit monthly financial reports to the CPIU in a prescribed format.
- The report should be accompanied by the under listed documents, where applicable:
    - Copy of the bank statement;
    - Summary of expenses/payments duly supported by paid vouchers;
    - Copy of the stock register;
    - Schedule of cash contribution to the sub-project.
- The groups will submit a progress report for the monitoring of physical progress of the sub-projects.
- The CPIU may withhold scheduled payments or suspend funding if the financial reports are overdue or the documentation evidence of use is insufficient.

Financial Report Format is in **Annex 19**

5.1.6 Financial Information Disclosure

a) The CIG shall try to communicate and disclose important information on sub-project activities to community members and other stakeholders.

b) This will be done through:

- Meetings: CIG members will be required to attend community meetings (barazas) to present updated information on their sub-projects;
- Information display boards at the sub-project sites will be used to display all information about the sub-project activities, including funds received and spent;
- Branding of assets: All sub-projects assets (equipment, tools, plants, machinery, etc.) shall be branded to discourage misuse, loss and enhance project visibility;
- The sign posts erected at the sub-project sites will show/disclose sub-project cost and sources of funds;
- The Project website should have updated information on the sub-projects, including sub-project cost, KEMFSED allocation, disbursements and community contribution.

5.1.7 Auditing of Expenditure.

The CIGs will undertake their own social audits through integrity committees to ensure accountability in the use of sub-project resources and meet the requirements contained in the financing MoUs. The CIG will task 3 members to check the documents kept by the PMC and submit recommendations on actions for rectifying any anomalies found. CPIU and NPCU will conduct impromptu/random technical audits to ensure accountability

Table 5 shows the records and other documentation which may be requested by the auditors.

Table 5: Audit Checklist

Group of Records	Description of Items
Primary Records	• File of invoices/vouchers for all items of expenditure • File or book of receipts for all money received (or transferred) • Bank statements, deposit slips, cheque books and cash vouchers
Summaries and reconciliation statements	• Summary of all receipts and payments by budget
Schedules	• Schedule of creditors (money owed by the CIG) • Schedule of debtors (money owing to the CIG) • Schedule of grants and other income due • List of grants received • Fixed asset register
Other information	• List of CIG and PMC membership • CIG and PMC meeting minutes • Funding agreements, contracts, and correspondences
Financial Reports	• Social audit reports

5.1.8 Summary of Financial Risks and Mitigation Measures

Fiduciary risk means the risks of monies being misused when funds are transferred from one party to another for a specifically agreed purpose. Anticipated sub-project risks and their mitigation are presented in **Annex 21.**

Measures to reduce fiduciary risks on funds to community groups for sub-projects will include:

- Continuous capacity building of the funded CIGs on financial management skills to ensure proper record and book keeping for prudent utilization of project funds;
- Funding of CIGs in tranches as per the agreed milestones in the contract, which must be assessed before any subsequent tranches are released;
- Use of cash/e-voucher payment system through mobile service provider to reduce movement of cash in the Project;
- Supervision and implementation support to the sub-projects by CPIU and other stakeholders;
- Auditing of sub-project funds by internal and external auditors.

5.1.9 Penalties and Remedies in Case of Funds Misuse

These are the actions that will be taken when funds are reported or suspected to have been misused by the CIGs:

- Stop/suspend all the withdrawals from the CIG account by the CPIU;
- The Project shall request the internal audit department at the county to audit and investigate the CIG and share the report with the CPIU;
- The sub-project account signatories shall be asked to refund the misappropriated funds within 2 weeks after audit; if they are the cause of the loss;
- If the funds are not paid within the stipulated time, the CPIU should initiate the process of suspending or terminating the sub-project activities.
- Prosecution of culpable culprits.

5.2 Community Procurement

This sub-section provides guidance on how communities will manage procurement of goods, works and services for the funded sub-projects.

5.2.1 Procurement Principles (GoK and World Bank)

Procurement at the community level will be guided by the following key aspects of procurement process which are common to the Government and World Bank procurement procedures:

- **Transparency, fairness and fraud prevention** are important so that everyone will know that funds are being honestly spent and accounted for;
- **Equal opportunity** ensures that the suppliers/sellers are provided with equal opportunity;
- **Economy and efficiency** (value for money) means that goods and services will be procured at a reasonable price and that the procurement planning process is of satisfactory status;
- **Effectiveness** means that the goods and services will fulfill CIG objectives.

5.2.2 Scope of Procurement at the Community Level

Community **procurement** shall be for goods, services and works as specified in the approved sub-project proposal. These will be low value procurement below KES 500,000. The CIG will seek the assistance of the CPIU for procurement of items above KES 500,000.

5.2.3 Setting Up a Procurement Entity

The funded CIG shall assign three members of the group to oversee procurement of goods and services, one of whom must be of either gender. The members should be well respected, honest and willing to undertake the responsibility on behalf of the group.

The members will be responsible for all matters relating to procurement, which include:

- Preparing procurement plan, as per the work plan and budget of the CIG sub-project proposal;
- Conducting market surveys;
- Requesting, opening and adjudication of bids/quotations from the suppliers;
- Ensuring that goods and services procured are delivered and distributed at the site (point of usage);
- Evaluating all bids/quotations and compiling reports for final award by the Project Management Committee;
- Ensuring that the items procured are of high quality and right quantities as per the specifications;
- Ensuring that the procured items are inspected, recorded, stored and issued using the prescribed forms.

5.2.4 Community Procurement Planning

Procurement planning involves scheduling steps for sourcing for goods, services and works. The procurement plan should include the items that will be required, when they are required and the method of procurement. The plan should include all the needs identified as per the sub-project proposal.

5.2.5 Selecting a Procurement Method

This will be guided by the financial threshold /budget for each requirement as shown in Table 6 below:

Table 6: Procurement Thresholds

Threshold/Ceiling: (KES)	Use this method	Key activity
Up to KES10,000	Low value procurement or buy off the shelf directly from a seller, cash purchase. It should be within the village or Ward, where possible.	Shop around for the best price and keep a receipt.
Between 10,001 to KES. 500,000	**Shopping method**: Use of a Request for Quotation (RFQ) with receipt of at least three quotations. Give a maximum of 14 days for submission of bids. It should be within the County, where possible.	CIG to obtain a minimum of 3 quotations from approved suppliers.
From 500,001 and above	CIG to seek guidance from the CPIU. Local bidding advertisement with a wide-reaching audience. Give adequate time, 14 to 21 days for submission of bids. It should be within the County of jurisdiction, where possible.	Obtain a minimum of 3 quotations/bids from suppliers approved by CPIU. CPIUs concurrence will be required before award.

5.2.6 Steps for Procuring Goods, Services and Works

The following procedures should be followed while procuring goods, services and works:

a) Procurement of Goods

❖ Off the Shelf Purchases

- Low value procurement will be for a single item or a set of items which in one case during the financial year do (es) not exceed KES 10,000 in value and are readily available off the shelf.
- This method requires the procurement entity going directly to the market and enquiring about the prices of goods needed for community sub-projects in different shops and then buying what is needed at the lowest price.
- Procurement entity will go to one or two suppliers/shops and buy the items required without formal quotation or agreement.
- The items must be received by the PMC and issued; and all the transactions entered in the stores' ledger or stock register. (Sample in Annex 22).
- The CIG will assign three members to verify if the items procured conform to the specifications.

❖ Single Sourcing/Direct Procurement

In the single/direct procurement method, the procurement entity approaches a supplier/ seller or service provider familiar to the community, to provide the goods or services. After negotiations, the goods are supplied, or a contract is signed, where applicable. This method is applied for all procurements that are **below** the financial threshold of KES 10,000.

However, there may be instances when indirect procurement or single sourcing may be allowed but the estimated financial value is above the KES 10,000 threshold.

This situation may arise due to the following:

- The competitive methods cannot be used due to exceptional reason(s) like long distance which may bring about unnecessary delays, unavailability of goods/services, higher operating costs, sudden unforeseen needs etc.;
- Only one service provider or supplier has the qualifications and/or ability to provide the goods /services;
- The assignment represents a natural or direct continuation of a previous contract awarded competitively, and the performance of the supplier or service provider has been satisfactory;
- In cases of extreme urgency or emergencies or where there is need to adopt certain technology;
- Use of this method should proceed as follows:
  - PMC should meet and produce minutes justifying the use of single sourcing methods;
  - Procurement entity should give a local purchase order (LPO) or local service order (LSO) to the supplier/shop for the items required without formal quotation;
  - The materials are received by the PMC and entered in the stock register;
  - The CIG assigns three members to verify the items procured;
  - The PMC releases payment to the supplier;
  - The details of procurement are entered in the display board.

Note: CIGs need to balance the need for use of direct procurement against the risk of lack of transparency and lack of providing opportunities to other prospective suppliers/service providers who could have provided better service/goods at a lower cost.

❖ Local Shopping: Purchase of Supplies between KES 10,001 to KES 500,000

This is also known as quotation-based method of procurement.

It involves solicitation and receipt of at least three quotations (or pro-forma invoices) from different suppliers/service providers.

The **advantages** of this method include getting value for money through competition, transparency and ease in accountability/audit and business opportunity for the suppliers/ service providers

The steps involved in this method are presented below:

- Identify the item or the package of items to be procured from the procurement plan;
- The procurement entity will solicit at least three price quotations from qualified suppliers, service providers or contractors based on a simplified quotation form (Annex 23);
- For the quotations for works contracts, the documents should describe the scope of works, provide specifications or bill of quantities (BQ),where possible, include drawings;
- For common user goods (frequently used goods), framework agreements may be used;
- The quotation forms shall either be hand delivered or mailed to local suppliers;
- The fully completed quotation forms shall be returned in a sealed envelope to the procurement entity on or before the stipulated date and time;
- The procurement entity opens the sealed quotations at the same time, and where possible

in the presence of the CIG and record the prices in a register;

- The procurement entity evaluates and decides from whom to procure as per the specifications. Factors such as item cost, quality, availability and transportation should be considered;
- The PMC gives a local purchase order. (LPO format in Annex 24);
- The materials are verified, received and entered in a stock register, before distribution;
- The PMC releases payment to the supplier;
- The details of procurement are posted on the display board.

❖ Local Bidding: Purchase of Supplies above KES 500,000

This is an open competition aimed at enhancing economy, fairness and equal opportunity to suppliers and contractors.

Open tendering procedures may be limited to local advertising, posting notices at strategic places, circulating such notices or reading them out at community meetings or other public gatherings.

- The request for bids spells out the works or goods required, the criteria for selection and the deadline for submission of bids. Bids are opened in a public ceremony.
- All the quotations received by the procurement entity in a sealed envelope shall be evaluated and submitted to the PMC for approval.
- The procurement entity opens the sealed quotations and records the prices in a register.
- The PMC evaluates the bids to determine whether they meet the minimum specifications mentioned in the bidding documents (experience, quality of works, equipment, services offered, and delivery dates). Bids that meet minimum requirements specified in the bid invitation are retained for further evaluation and the bidder who meets the minimum and offers the lowest bid is selected. Award and amount of the contract will be announced to all bidders.
- Give a local purchase order.
- Materials are received, transported to the community and entered in a stock register.
- CIG verifies the items procured.
- PMC releases payment to the supplier.
- Details of procurement are written on the display board.

❖ Community Force Account

Under a community force account, the community implements the sub-project using its own resources (skilled and unskilled labor, materials, equipment) and may sub-contract part of the sub-project.

- This approach offers several advantages: (a) it is community driven and cost effective (inputs can be provided by the community at below-market costs) and (b) injects funds into the community (e.g. through the payment of wages and materials).
- Caution should however be exercised when using this method to minimize likely abuse (misallocation of funds) and the difficulty of estimating controlling costs.

❖ Procuring of Skilled Services

The CIG will use the following method when procuring skilled services: (Unskilled services will not be procured)

- Procurement entity puts notices in public places such as markets, schools, local administration offices and barazas sites showing details of skilled services needed;
- Interested persons submit sealed offers to the PMC;
- The procurement entity opens the offers and record the prices in a register;
- Procurement entity compares the experience, selects the most suitable and negotiates for the price within the available budget and prevailing market rates;
- The PMC approves the recommendation of the procurement entity;
- The PMC signs a contract with the person to be hired;
- CIG identifies some members to verify and evaluate the services given before the PMC releases payment;
- The details of services hired are posted in the display board;

❖ Procuring the Services of a Contractor

The CIG shall apply the following method to procure the services of a contractor:

- The procurement entity shall invite interested approved contractors through public announcement in local meetings or advertisement in public places and receive sealed quotations;
- The procurement entity opens the quotations, evaluates them and forwards the results to the PMC for approval;
- The PMC invites technical person from the relevant line ministry conversant with the nature of the project and conducts an interview to select the contractors;
- The PMC signs a work order (LSO) with the person entrusted with the work (Sample of LSO in Annex 25);
- A contract agreement will be drawn with the selected contractor (Sample of contract in Annex 26);
- The work is supervised by the PMC and checked by the technical department, depending on the magnitude of work, and who also signs the completion certificate;
- PMC releases payment based on completion of works as certified by the technical department.

Note: The details of all goods, works and services shall be posted on the community display board.

CHAPTER 6:

MONITORING, EVALUATION & LEARNING

This section provides guidelines on the requirements, processes and tools for supervision, monitoring and reporting on the ECCL activities. It will have the following sub-sections:

6.1. Supervision and Monitoring

❖ County Monitoring of Community Activities

The CPIU will undertake quarterly monitoring visits to the project areas and produce M&E implementation progress reports to be disseminated to all the stakeholders. It will monitor and report on intermediate and output indicators for Component 2 activities which include indicators for Enhanced Coastal Community Livelihoods (ECCL) and Support services for ECCL sub-components activities at the county and community levels. This will facilitate collection of adequate data for Component 2 indicators in the Project Results Framework. The results indicators for Component 2 are presented in **Annex 27.**

The CPIUs will continuously monitor CIGs on the status of implementation and reporting both on sub-project activities and budgetary utilization. Monitoring will be done by county technical officers and CPIU staff, including monitoring and evaluation, procurement and finance officers and the Project CTAs. The groups should be visited the CPIU team every quarter in a coordinated manner.

The County Technical Assistants, field officers and staff from SPs will undertake regular visits to community sub-project sites to provide technical support, review implementation progress and any environmental and social mitigation measures, and to make recommendations/ suggest potential solutions to the problems faced. The visits will be scheduled in line with the community sub-project implementation schedule and work plan and findings from the visits will be incorporated into the county progress reports.

❖ Community (CIG) Monitoring and Reporting

The CIG will be monitoring the progress of implementation of ECCL sub-projects. It will also supervise the implementation of the sub-project by checking on procurement, finances and on-going or completed sub-project activities.

The PMC will be assisted to develop work plans with activities and outputs aligned to the county (CPIU) Annual Work plan and Budget. It will also be assisted to develop a simple M&E framework for effective collection of relevant data for the Project's Results Framework indicators. This will start during the preparation of the sub-project proposal.

The PMC will be checking the books of accounts and monitoring procurement processes of the on-going and completed sub-projects activities. It will also collect information on mobilization and utilization of project funds and quality of service delivery. The PMC will accompany field officers, SPs and technical officers from the county departments during technical follow up of sub-projects.

During construction, the PMC will review the actual versus planned activities using sub-project monitoring form to be submitted to the CIG. It will also monitor progress of implementation of environmental and social mitigation measures. It will report progress of sub-project implementation to the CIG on regular basis.

6.2. Reporting on ECCL Activities

Regular reporting will be essential for effective monitoring and evaluation of the ECCL sub-component activities.

CPIU M&E Reports

The CPIU will be responsible for reporting on the progress of implementation of funded ECCL sub-projects to the NPCU. The reports will be submitted on quarterly and annual basis, except for the financial and complaints handling reports which will be submitted on monthly basis.

❖ Quarterly Reports

The quarterly sub-project implementation progress report should include:

- Progress of ECCL sub-component implementation in relation to county annual work plan, budget allocation and utilization in relation to annual budgets, and problems encountered and how they were addressed;
- Summary of the implementation of the safeguard instruments (ESMPs);
- Grievances registered with systematically logged complaints indicating the details of those resolved, pending and the way forward;
- Upcoming/emerging issues;
- Recommendations.

❖ Annual Sub-Project Report

County annual reports should include the following information on the ECCL sub-component activities:

- Analysis of performance in relation to the annual work plan, budget and procurement plan;
- Annual financial figures;
- Progress of implementation of the ECCL sub-project cycle (progress of target communities);
- Training and capacity building activities;
- Progress of partnership arrangement with the Commercial Enterprises;
- Problems arising and how they are addressed;
- Overall progress of gender integration;
- Review of performance on safeguards (screening, EIAs, ESMP implementation);
- Grievance Handling and Redress mechanism (Grievances received & those resolved);
- Update of the performance of the ECCL indicators in the Results Framework;
- Analysis of lessons learned from the ECCL sub-project cycle;
- Updated work plan for next reporting period.

Table 7 shows reports produced by the CPIU which should include ECCL sub-component activities.

Table 7: County Report on ECCL Activities

Report	Frequency	Responsible	Dissemination
1. County financial report	Monthly	CPIU finance officer	PCIU, NPCU
2. Quarterly Interim Unaudited Financial Report	Quarterly	CPIU finance officer	NPCU
3. Monthly grievance monitoring report (including suggestions)	Monthly	CPIU M&E officer	NPCU
4. Quarterly Implementation progress report	Quarterly	CPIU M&E officer	CPIU, CSPC, NPCU
5. Annual County Project implementation Report	Annual	CPIU M&E Officer	CPIU, NPCU
6. Training Reports	After each training	CPIU officer in charge	CPIU, NPCU
7. Field Supervision Reports	After each supervision	CPIU Officer responsible	CPIU, NPCU
8. Meeting Reports (CPSC, stakeholders)	After each meeting	CPC	NPCU
9. Annual Audit Report	Annual	KENAO	NPCU, MOALF

CIG M&E Reports

The M&E reports required at the Community (CIG) level include:

- Monthly grievance monitoring report (including suggestions)
- Quarterly financial report
- Quarterly progress implementation report (achievements, problems, upcoming issues)
- Training reports
- Meeting reports (CIG and PMC)

The CIGs will prepare consolidated quarterly report for the sub-projects under implementation and submit to the CPIU M&E officer. This should be done from the start of implementation up to the completion of the sub-projects.

The Project implementation reports will include:

- Updates on Procurement Plan implementation,
- Safeguards instruments,
- Gender requirements
- And other areas highlighted in the sub-project proposals.

The reports to be prepared and disseminated by the CIGs are highlighted in **Table 8** below.

Table 8: Report from the Implementing CIGs

Report	Frequency	Responsible	Dissemination
Financial Report **(See Annex 19)**	Monthly	PMC	CIG, CPIU
Implementation and Activity Progress report **(See Annex 19)**	Quarterly	PMC	CIG, CPIU
Minutes of Meetings	After each meeting	Secretaries	CIGs, PMC
Sub-project final narrative and financial report	Annual	PMC, CIG	CPIU

6.3. Evaluation and Audit of Sub-Projects

At the end of every sub-project, a participatory evaluation must be carried out by the stakeholders: the target community, the county officers, CPIU, CPSC, and, where applicable, the SPs. The evaluation will be to establish whether the intended objectives of the project were achieved and whether there is need for corrective actions and measures for sustainability and maintenance to be put in place. The CPSC will also assess the capacities of the target communities, using the criteria below, to see whether they qualifies to be upgraded to the next level, depending on their performance in implementing the completed sub-project.

The assessment will look at:

- Whether community training has been carried out;
- The communities' ability to identify and prioritize their development needs;
- Their ability to design CDPs and write proposals;
- Ability to undertake self-procurement and financial management;
- Ability to work through SPs;
- Ability to undertake environmental monitoring and participatory M&E;
- Ability to access increased funding levels;
- Ability to negotiate program funding from various sources;
- Ability to successfully complete programs effectively and within an agreed time frame

6.4. Knowledge and Learning

Learning events will include:

a) Annual Exhibitions:

Counties will conduct annual exhibitions where CIGs and CBOs will showcase their achievements. This will be the forum used to identify model groups to be visited during field visits and missions. High achievers will benefit from the experiential learning, exchange visits, peer-to-peer learning and field tours organized by the CPIUs. This will encourage knowledge sharing and provide a platform for advertisement of produced wares to create markets for the products of beneficiary groups.

b) South-to-South Knowledge Exchange Visits: The county and national project staff will be taken for a south-to-south knowledge exchange and learning visit on identified project thematic areas within or outside the country

c) Social audits by project stakeholders will also summarize lessons learned and recommendations.

CHAPTER 7:

CROSS CUTTING ISSUES

Introduction

Implementation of ECCL sub-component will include addressing cross issues such as: i) Gender mainstreaming; and ii) Inclusion of vulnerable and marginalized groups. This section discusses how these cross-cutting issues will be addressed during implementation of ECCL activities, in the following sub-sections:

7.1 Social Inclusion

This sub-section details processes and procedures for ensuring active participation of all social groups in the ECCL sub-project implementation and sharing of benefits. The social groups include women, youth, vulnerable and marginalized groups (VMGs), among others.

7.1.1 Gender Mainstreaming and Social Inclusion

Gender mainstreaming is important for the successful implementation of ECCL sub-component. The Project will therefore ensure that various gender groups including women are not excluded in the decision-making process and that they participate in all the stages of the sub-project cycle, from planning to management.

The Project will support the following activities to increase gender equality and empower women during the ECCL sub-project cycle:

a) The county technical assistants, field officers and staff from partner enterprises providing technical assistance to community groups should ensure women's participation throughout the sub-project cycle, including community monitoring, grievance handling and social audits;

b) The technical staff will receive gender training to enable them to understand the rationale for the involvement of women and ways to support the active participation of women.

The trained staff will ensure that the project activities are carried out in ways that increase gender equality and empower women.

c) During PICD training in the community, the field officers facilitating the process shall ensure that:

- The village quorum has fair representation of all gender groups;
- The discussion groups formed during participatory social assessments (PSA) should reflect gender segments in the community to capture their views on priority challenges and opportunities for addressing these challenges;
- Community development plans (CDPs) have the support of all segments of the community, including women and youth, and incorporate their needs and priority sub-projects.

d) The PICD facilitators should undertake open and informed consultations with various gender groups during the planning phase and prior to the approval of community sub-projects and keep a record of the needs and priorities of each group;

e) The CPIU and county technical staff should ensure that the needs and priorities of different gender groups captured in the proposals are based on consultations during the preparation of the CDPs;

f) Gender representation and sensitivity will be the focus of screening and appraisal of projects proposals under review. The proposed sub-projects should address gender concerns in design, implementation strategies and in the relationship between proposed activities and the empowerment of both men and women;

g) At the sub-project implementation stage, women's labor required as part of the community contribution will be linked directly to an output benefiting women, opportunities for women will be built through training programs and skills transfer. The women will also be involved in the operation and maintenance of completed ECCL investments;

Women should be involved in monitoring and evaluation of sub-projects implementation. They should also give their separate views about the implementation and its impact on their welfare. Gender disaggregated data will be collected and used to analyse the situation of both men and women in the project area to inform implementation of various interventions.

7.1.2Vulnerable and Marginalized Groups (VMGs)

Rationale of Targeting the VMGs

The VMGs may find it difficult to express their grievances openly due to social and cultural differences and their needs are never included as integral part of communities' prioritized needs to be addressed. There is therefore a need to sensitize and involve the community at all stages of the sub-project cycle for greater engagement and inclusion of the VMGs.

VMG Mainstreaming

The Project will use mainstreaming strategy to ensure that vulnerable groups are included in the entire process of the ECCL intervention and that the target community recognizes the need for addressing the specific problems of the least fortunate in the community. The needs of the vulnerable groups will be accommodated in the overall community development plan (CDP) and will be part and parcel of community concerns. The strategy should however not overlook specific problems of the VMGs. The Project will not set aside a certain amount of ECCL grants ("ring-fencing") for the VMGs, to avoid acrimony and stigmatization of the group by members of the target communities.

Identification of Vulnerability

In development terms, vulnerability refers to persons who are easily harmed or adversely affected by stresses that are caused by political, social, economic and natural factors.

Two important issues to recognize during identification of vulnerability are that:

- Community members must agree on or with the criteria for vulnerability as well as individuals identified to belong to the group. Unless this is done, it will most likely create animosity and stigmatization for anyone to be seen to belong to the vulnerable group
- The criteria should not be so wide and ambiguous that everybody fits into the definition

The following groups are usually prone to vulnerability in terms of socio-economic resources:

- Orphans and people living with AIDS;
- Differently abled persons (physical and/or mental);
- Elderly people;
- Squatters/landless families;
- Female headed households;
- Persons suffering from drug addiction.

It is important that community leaders are made to understand why the Project gives priority to inclusion of the marginalized and vulnerable groups. The PICD training facilitators must discuss with community members, leaders and other opinion makers how vulnerability is defined and understood in the target community, and who exactly among community members belong to that category. Before the PLA phase of PICD begins, deliberate efforts must be made to ensure that the VMGs (or at least a fair number of them) will be able to participate in the sessions.

Participatory Social Assessment (PSA)

During PSA, the PICD facilitators must show great sensitivity and ensure that people believed to belong to the vulnerable groups feel comfortable and accepted. When applying the PLA tools, it should be considered carefully when groups should be divided according to socio-economic status, gender, education; age etc. and the facilitators should be ready to intervene proactively to prevent the discussions from becoming uncomfortable for any participant. When participants start rating and prioritizing problems, it may be necessary to agree on developing two separate lists, which by the end of the exercise will be merged using a pre-determined formula.

Formulation of Community Development Plan

CDPs should be developed with representation from vulnerable groups. The PICD facilitators should ensure that vulnerable people will directly benefit from the planned interventions.

Sub-project preparation and implementation

During sub-project preparation and implementation:

- The relevant technical officers should check whether and how the vulnerable members of the group will benefit;
- IEC tools and approaches should be designed in such a way as to promote VMG inclusion and provide information in ways that are easily understood;
- During implementation, inclusion of the VMGs and their relationships with other communities, as well as the impact of the project on their welfare should be adequately monitored;
- PICD facilitators should also sensitize and create awareness on the existing government policies on orphans, differently abled, and the elderly and help to align their proposed interventions to these policies to facilitate maximum coordination and harmonization.

7.1.3 Women and Youth as Marginalized Groups

In the context of decision making and ownership, women and youth should be included in the category of the marginalized group. Women and youth should not be included in the context of designing special projects for the vulnerable groups since their strategic needs are mainstreamed in the general social development of the community.

7. 2 Social Accountability and Transparency

This sub-section will elaborate community processes and procedures for:

7.2.1 Public Disclosure of Sub-Project Information

The beneficiary CIGs and CBOs will disclose their utilization of the community grants and progress in the implementation. This will entail displaying a summarized report on grant beneficiaries, sub-projects and interventions supported at the following locations; where applicable:

a) Meetings

The CIGs will be required to attend community meetings (barazas) to present updated information on their sub-projects. There will also be regular CIG and PMC meetings at the sub-project site. During these meetings community members will have an opportunity to ask questions, seek clarification and give suggestions on the implementation of the sub-projects.

b) Information Display Boards

The CIGs will set up information display boards at the sub-project site to display all information on sub-projects activities. Community members will be able to understand project activities by reading these boards. The boards will also be used for important announcements.

c) Branding of Assets

The PMC will brand all sub-project assets (equipment, tools, plants, machinery, etc.) for identification and to discourage misuse, loss and enhance project visibility.

d) Sign posts

The CPIU will provide standard KEMFSED sign posts to be put at the sub-project sites to raise Project visibility. The signposts will show the cost, start and completion dates and sources of funds for the sub-projects, among other details.

e) Project Website and Mapping

Sub-project information will also be geo-referenced and posted on project website by the NPCU. The information will include: sub-project name; sub location; location; ward, constituency; total project cost; KEMFSED allocation; disbursements; community contribution; GPS coordinates (latitude & longitude); number of beneficiaries; project objectives; achievements; and names and telephone contacts of the chairman, secretary and treasurer.

7.2.2 Social Audits

After completion of a sub-project, field officers will facilitate PMC members and the target community to review all aspects of the sub-project cycle in terms of both process and results, and to summarize lessons learned and recommendations.

7.2.3 Grievance Handling and Redress

There is a likelihood of grievances or disputes arising among beneficiaries during implementation of community sub-projects. It will be important to not only address these issues at the earliest before they develop into major conflicts and potentially prevent the community from working together. It also demonstrates the kind of platform that exists for efficient implementation of activities in a cooperative manner.

What is a grievance?

A grievance is an expression of dissatisfaction or an accusation made by a stakeholder for a wrong doing in community project implementation. It can be made by a community member or leader, project beneficiary, project staff or a service provider, etc.

What are some of the anticipated grievances?

- Service related (dissatisfaction) e.g. delays, mistreatment, lack of courtesy, poor response/ feedback etc.,
- Corruption and integrity related – mismanagement of resources, procurement, abuse of office, financial mismanagement.
- Lack of information (grievances that require explanation and availing of answers)

What is a Grievance Redress Mechanism (GRM)?

GRM is an organized way or procedure for addressing grievances and resolving problems that arise out of project implementation.

Why is Grievance Redress Important?

- It helps to preserve and protect project funds by arresting problems before they become more serious or widespread.
- It assists in creating public awareness about the project and its objectives.
- It discourages fraud and corruption in project implementation.
- It allows project implementers to be more accountable, transparent and responsive to project beneficiaries.

Who should receive Grievances?

All grievances from community members will be handled by the PMC. The PMC will appoint a male and female member who will receive all grievances on its behalf, which may be in the form of SMS (mobile phones), letters, verbal presentation in a meeting or *baraza.*

What will be done on receipt of a Grievance?

All grievances from community members will be coordinated by two members appointed by the PMC who will record them in a register. The information to be put in the register will include:

- Date of the grievance and time;
- Name and identity of the complainant;
- Nature or brief description of the grievance.

Grievance channels will include SMS, e-mail, letter, record in a register, phone calls, written notes, voice recorded, social media etc.

They will acknowledge receipt of the grievance and then inform the PMC. If there is need, the two will carry out investigations to collect more information before the PMC can take action.

Resolving of Grievances

Grievances should be resolved using the laid down PMC rules and project guidelines and procedures. Action taken on the grievance by the PMC should be swift, deserving and feedback should be given to the complainant within 7 days of receipt of the grievance. If the PMC is unable then the CIG should be requested to handle it. If CIG is unable to handle, then the grievance should be forwarded to the CPIU office.

Each level handling the grievance should not take more than 7 days to respond to a grievance.

Reporting of Grievances

The PMC will maintain a grievance register and record all grievances received, their status, action taken and make quarterly reports. The PMC is expected to review and make comments and then forward the report to the CIG or CBO, through the laid down project structures up to the NPCU

Disclosure of Information on Grievances

The PMC should allow community members and the public to have access to the grievances register and the quarterly reports on the same. It should also disclose this information during general community meetings or *barazas*.

7.3 Sanctions and Rewards

Sanctions are penalties or other means of enforcement which will be applied by KEMFSED Project when there is failure to adhere to agreed procedures, rules and regulations.

The following sanctions will be applied by the Project if the CIG or CBO violates the commitment agreement or financial and procurement procedures:

- Termination of project funding to the community;
- Suspension of Project funding to the sub-project;
- Refund of the disbursed funds to the sub-project by the PMC;
- Where official(s) are involved, election of new officials can be sanctioned;

- Legal action against community members who have stolen project funds;
- Naming and shaming of the culprits;
- Blacklisting of the suppliers involved in the procurement malpractices.

Rewards are meant to recognize and motivate officials and communities who exhibit exemplary performance in project implementation. This may include certificates of recognition, recommendation for national or county awards, trophies, medals, educational visits and tours.

7.4 Sustainability

To increase the sustainability of community institutions and investments supported by the Project, each sub-project should include:

- Capacity building plan for the members on sub-project operation and maintenance;
- A maintenance plan, including charging for services or through regular contributions, which will ensure required funds for maintenance and operation/ replacement of the investment addressing social welfare issues;
- An environmental screening and mitigation plan if required, to accommodate any negative environmental impacts created by the sub-project (e.g. micro-catchment protection and management plans for dams, pans, wetlands, riverine regimes, beaches, etc.)
- Award of such sub-projects to reliable entities such as CBOs, registered CIGs or relevant Participating County departments.

CHAPTER 8:

ANNEXES

Annex 1: Target Wards for ECCL Investments

County	Sub-Counties	Target Wards
Kwale	1. Lungalunga	Vanga, Mwereni, Dzombo and Pongwe/ Kikokeni
	2. Msambweni	Ukunda, Kinondo and Ramisi
	3. Matuga	Mkongani, Tiwi, Kubo South, Waa and Tsimba Golini
	4. Kinango	Mwavumbo, Samburu/ Chengoni, Kasemeni, Mackinon Road, Kinango, Puma and Ndavaya
Mombasa	1. Changamwe	Port Reitz, Kipevu, Airport, Changamwe and Chaani
	2. Nyali	Frere Town, Ziwa la Ngombe, Mkomani, Kongowea and Kadzandani
	3. Kisauni	Mjambere, Junda, Bamburi, Mwakirunge, Mtopanga, Magogoni and Shanzu
	4. Jomvu	Jomvu Kuu, Miritini and Mikindani
	5. Likoni	Mtongwe, Shika Adabu, Bofu, Likoni and Timbwani
	6. Mvita	Mji wa Kale/ Makadara, Tudor, Tononoka, Majengo and Ganjoni/ Shimanzi
Kilifi	1. Kilifi South	Junju, Mwarakaya, Shimo la Tewa, Chasimba and Mtepeni
	2. Kilifi North	Tezo, Sokoni, Kibarani, Dabaso, Matsangoni, Watamu and Mnarani
	3. Malindi	Jilore, Kakuyuni, Ganda, Malindi Town and Shella
	4. Magarini	Maarafa, Magarini, Gongoni, Adu, Garashi and Sabaki
	5. Rabai	Rabai/ Kisuruti, Mwawesa, Kambe/Ribe, Ruruma
	6. Ganze	Jaribuni, Sokoke, Ganze, Vitengeni and Bamba
Lamu	1. Lamu East	Faza, Kiunga and Basuba
	2. Lamu West	Shella, Mkomani, Hindi, Mkunumbi, Hongwe, Witu and Bahari
Tana river	1. Garsen	Kipini East, Garsen South, Kipini West, Garsen Central, Garsen West and Garsen North
TOTAL	**19**	**98**

Annex 2: PICD Process Phases

Phase	Activity	Duration	Actor/Responsible
Pre-PICD activities	1. Training of PICD facilitators 2. Sensitization and awareness creation at the Ward level	2 weeks 1 day	County Technical Officers Field officers
PLA Phase	1. Community entry meeting with the Assistant Chief, Village Administrator, elders and representatives of community groups	1 day	Field officers
	2. Initiation / awareness creation/attitude change meeting with whole community	2 days	Field Officers
	3. Participatory Social Assessment (PSA)	5 days	Field Officers
	4. Preparation of Community Development Plan (CDP)	3 days	Community Development Planning Committee (CDPC) and Field Officers
	5. Presentation CDP to the community - Ratification of CDP by whole community - Flagging of ECCL investment opportunities - Identification of priority sub-projects from the CDP	1 day	Community members/ leaders/ community groups/Field officers
	6. Evaluation of the PLA phase and report writing		Field Officers/community Contact persons
Follow up phase	1. Preparation, submission and selection of sub-project concepts to develop full sub-project proposals	1 Week	CIGs/community members /leaders/Field officers
	2. Preparation and submission of ECCL sub-project proposals by community groups	2 weeks	CIGs/CBOs/community members/Field officers
	3. Parallel to 2 : Initiating other development activities in the CDP by community members		Administrators/local leaders/community members
	4. Field screening and technical appraisal of proposals	3 weeks	Field Officers/County Technical officers/PCIU
	5. Operational planning for the approved sub-Projects	5 weeks	CIGs/Technical Assistants /Field officers/CPIU
	6. Implementation and monitoring of sub-projects	9 to12 months	CIGs/County Technical officers/Technical Assistants/Field Officers/ CPIU
	7. Participatory monitoring, evaluation & learning	Continuous	CIGs/CPIU/NPCU

Annex 3: Roles and Responsibilities of Institutions

8.3.1 National Project Coordination Unit (NPCU)

NPCU will be responsible for:

a) Review of the Project Grants Manual;
b) Disbursement of funds to the Counties for ECCL activities;
c) Conducting technical audits;
d) Building capacity of county technical officers to implement ECCL activities;
e) Monitoring and auditing of implementation of ECCL sub-project milestones;
f) Disseminating lessons learnt from implementation of ECCL sub-component activities to the stakeholders;
g) Maintaining a database on ECCL sub-projects implementation.

8.3.2 County Project Steering Committee (CPSC)

The CPSC will assist the CPIU to plan, manage and guide project implementation in the county. It will be responsible for:

a) Giving policy direction to the CPIU on county development priorities;
b) Harmonizing ECCL activities to avoid duplication of efforts by different stakeholders in the county;
c) Approving ECCL activities in the CPIU Annual work plan and budget;
d) Resolving any conflicts within and between communities and various stakeholders during ECCL investments implementation and operation;
e) Ensuring that ECCL sub-projects are socially inclusive (including gender and VMGs), economically viable and environmentally friendly;
f) Ensuring adequate gender balance and advocacy for the marginalized and disadvantaged groups in participating communities;
g) Defining county specific criteria for the selection of target communities and monitoring distribution of the ECCL investments in the county.

8.3.3 County Technical Departments

County departments (i.e. Agriculture, Livestock, Cooperatives, Works, Environment, Water, Education, Health, Forest etc.) will provide training and technical advice to the target communities during planning and implementation of the ECCL sub-projects.

The departments/agencies will be responsible for:

a) Facilitating the PICD training in the target communities together with the staff from partner commercial enterprises;
b) Assisting eligible community groups to identify eligible investments opportunities in the community development plan;
c) Carrying out technical appraisal of sub-project proposals in the application process;
d) Providing training and technical support to community groups at all the stages of sub-project implementation and;

e) Monitoring and reporting on the sub-project implementation milestones to the CPIU.

8.3.4 County Project Implementation Unit (CPIU)

The CPIU will be responsible for the day-to-day execution of the ECCL sub-component activities in each county. The specific tasks and duties of the unit will include:

a) Preparing and implementing county work plan and budget for the Project, including the entire cycle related to ECCL activities;
b) Appraisal of the ECCL sub-project proposals, in collaboration with county technical officers;
c) Facilitating timely disbursement of grants to the beneficiary groups in tranches;
d) Coordinating the training of county technical staff and partner enterprise staff for the successful implementation of community sub-projects;
e) Facilitating the training and technical support to community groups implementing the ECCL sub-projects;
f) Ensuring that the ECCL activities are socially inclusive, technically viable, environmentally friendly and contributing to sustainable development;
g) Undertake participatory monitoring and evaluation of sub-projects with communities, in collaboration with county technical departments and partner agencies;
h) Facilitation of conflict resolution in the target communities;
i) Taking deliberate efforts to mainstream gender, youth, VMGs and other cross-cutting issues in the sub-project activities.

8.3.5 Common Interest Groups (CIGs) and Community Based Organizations

The CIGs are the primary beneficiaries of capacity building support and grant resources provided under ECCL sub-component.

CIGs include eligible fishing or farming households, community-based organizations (CBOs), women's groups, youth groups, self-help groups, vulnerable and marginalized groups (VMGs), formally registered.

The main roles and responsibilities of CIG members include:

a) Electing their officials as per their by-laws and constitution;
b) Attending meetings and contributing to activities of the CIG in accordance with the constitution;
c) Preparing sub-project proposals in conformity with the approved Community Development Plan;
d) Ensuring that the required community contribution (cash and/or in kind) towards the sub-projects is provided as per the agreement with the CPIU;
e) Procuring works, goods and services as per the approved procurement plan in the sub-project proposal;
f) Preparing and submitting tranche funds release request to CPIU
g) Accounting for financial and material resources of the CIG sub-project;

h) Ensuring financial resources are used for the planned activities by the CIG;
i) Implementing sub-project activities in accordance with the rules specified in this manual;
j) Participating in monitoring of implementation milestones and reporting of progress of the sub-project as required by this manual;
k) Ensuring sustainability of activities of the funded sub-project(s).

8.3.6 Project Management Committee (PMC)

Where necessary, the CIG will form a PMC of three to seven members to be responsible for the day to-day management of a sub-project. At least one third of the members shall be women. The PMC shall be answerable to the CIG for:

a) Overall management of the sub-project affairs;
b) Guiding work planning and budgeting process for the sub-project;
c) Sub-project supervision, together with management of supplies;
d) Ensuring that the sub-project implementation conforms to relevant rules and regulations of the relevant authorities;
e) Assisting the CIG Treasurer to prepare all books of accounts, keep all financial records, make payments, report all financial transactions and prepare financial progress reports on the sub-project;
f) Planning and procuring all goods and services on behalf of the group in the manner prescribed in the community procurement and financial management manual;
g) Implementing resolutions of the CIG members.
h) Receipt and control of procured goods/services from the procurement sub-committee;
i) Preparing and submitting reports and documents as may be required by the CIG;
j) The custodian of all documents and, in social welfare projects or environment infrastructure sub-projects (public goods), the PMC will be custodian of the assets of the sub-project.
k) Approving financial management reports before they are tabled to the CIG members.

Annex 4: ECCL Sub-Project Cycle

STAGE	STEP	PARTICIPANTS	ACTORS/ RESPONSIBLE
Pre-Implementation Activities	1. Training of PICD facilitators	• Field officers • Partner agency staff	• County Technical Officers
	2 Sensitization and awareness creation at the Ward level	• Ward Administrator and local leaders	• Field officers • Partner agency staff
Sub-Project Preparation (Stage 1)	1. Village meeting with community leaders and groups	• Community leaders and groups	• Field officers • Partner agency staff
	2. Participatory Social Assessment (PSA)	• Community members, leaders and groups	• Field Officers • Partner agency staff.
	3. Preparation of Community Development Plans (CDPs)	• Community representatives (CDPC)	• CDPC, Field officers • Partner agency staff
	4. Ratification of the CDP	• Whole community • Other stakeholders	• CDPC • Field officers • Partner agency staff • Technical departments
	5. Identification of ECCL sub-projects from the CDP	• Whole community • Other stakeholders	• Filed officers • Partner agency staff
	6. Selection of CIGs to implement the Sub-Projects	• Whole community • Community groups	• Field officers • Partner agency staff
	7. Preparation and submission of Concept notes for the sub projects	• CIGs, CBOs and out grower farmers groups	• Technical officers • Community leaders
	8. Writing and submission of sub-project Proposals	• CIGs and CBOs	• Field officers • County Technical Assistant
Appraisal of Sub-Projects (Stage2)	1. Environmental and Social Screening of sub-project proposals	• CIGs and CBOs and out grower farmers groups	• CPIU • CDE
	2. Initial screening and technical appraisal of sub-project Proposals	• County Technical Assistants, SPs, Field officers	• CPIU
Making Commitment Agreement (Stage 3)	1. Signing of Commitment Agreement, MOU	• CIG Officials and CPIU	• CPIU
	2. Signing of Grant Agreement	• CIG Officials and CPIU	• CPIU

Sub-Project Implementation (Stage 4)	1. Mandatory training on of the PMCs on finance and procurement.	• CIGs, CBOs and contract farmers groups	• Field officers • Partner agency staff
	2. Disbursement of funds to the CIGs/CBOs in tranches	• CIGs, CBOs	• CPIU
	3. community contribution mobilization	• CIGs and CBO members	• PMC and Field officers
	4. Procurement of goods, works and services for the sub-projects	• PMCs of supported community groups,	• Relevant Technical staff • CIG and CBOs • CPIU
	5. Targeted training for community groups and technical officers on relevant skills	• CIGs, CBOs and • Sub-county and ward level officers.	❖ Ward and sub-county level technical officers. ❖ County technical officers
	6. Technical support to community groups implementing funded sub-projects	• CIGs, CBOs and	• Ward and sub-county technical officers • SPs Field Officers • County Technical officers
	7. Supervision, monitoring, evaluation and reporting	• CIG and CBOs (PMCs) • Technical officers • SPs Field Officers	• CPIU, CPSC • Technical officers • Community leaders
Sub-Project Closing (Stage 5)	1. Final inspection of the completed sub-projects	• CIGs, CBO • Technical Assistants/ • SPs Field Officers	• Community leaders Technical officers
	2. Submission of the final financial progress report to CPIU	• CIGs, CBOs and Contract Farmers Groups	• Technical officers • Community leaders
	3. Social Audit of the completed sub-project	• CIGs, Contract Farmers Groups, CPIU, SPs and other stakeholders	• Technical officers • Community leaders
	4. Issuance of sub-project completion certificate to the CIG	• CIGs, CBOs and	• Technical officers • Community leaders

Annex 5: Template for Community Development Plan Document.

1. **Cover page** (including name of the Community, Ward and date)

2. **Table of Contents**

3. Community Basic Data:

i) Population (male, female) and number of households.
ii) Ethnic composition.
iii) Population of vulnerable households (e.g. elderly, landless, disabled).
iv) Facilities available in the community (schools, health facilities, market centres, etc.)
v) Socio-economic situation (Main sources of employment and income and the prevailing farming systems, etc.).
vi) Major resources and their potential and historical development as perceived by the community.
vii) Any other relevant information for the village.

4. Summary of the Participatory Social Assessment (PSA) and Participatory Learning and Action (PLA) process. Include the date when meetings were held, which groups were consulted, how many attended the meetings, main points of discussion at the meeting.

5. Problems as perceived by the community

- Reproduce problem lists and include the ranking of problems done by the different groups,
- List the criteria used for ranking problems by different groups and indicate the differences in raking, if any and how they were resolved.

6. Solutions suggested by the community

- Reproduce the solutions for the priority problems including the ranking of problems done by the community or by different groups in the community.
- List the criteria used for ranking.
- Indicate differences between different groups and summarize how they were discussed and resolved by the community.

7. Institutions and Programs which could contribute to the solutions

- Reproduce and explain the diagrams (Chapati and Venn) which have been produced by the community to show institutions and programs related to the solutions prioritized in section six.
- Give a brief description of on-going programs or projects, if any.

8. Community Vision (result from visioning exercise).

- What is the vision of the community?
- What do community members think would make their community stronger in the future?

9. Community Development Plan (CDP)

- Reproduce the CDP as it was presented by the community.
- Summarize the process of CDP development and point out which community groups participated in the planning.
- List of priority activities for different areas for the next four years (infrastructure, livelihood, education, health, water, social protection etc.) agreed upon by men, women and ethnic groups.

- ALL activities in the plan should be elaborated or discussed,
- Include a summary of the CDP presentation and ratification meeting

8. Annexes:

- Photo documentary of the PICD (PSA/PLA) process, including maps, wealth rankings, Venn diagrams etc.
- Copy of the minutes of community orientation, participatory social assessment and planning meetings;
- Community Vision Matrix

Annex 6: Example of Eligible Sub-Projects ("Positive list")

1. Livelihood or Productive Sub-Projects

Enterprise	Clarifications and Limitations on Eligible sub-projects
1) Crop Based	1) Provision of farm inputs (seeds, seedlings, fertilizers, chemicals, drip irrigation kits, etc.) to CIGs to establish their crops. 2) Construction of small-scale produce collection centres for CIGs. 3) Small scale irrigation support (small water pans, solar pumps, drip irrigation kits). 4) Green house for vegetable farming. 5) High value crops farming support. 6) Support to micro-gardens (use of sacks, kitchen gardening, or roof top gardening). 7) Value addition or agro-processing of agricultural commodities, including contracted crop bi-products.
2) Agro-forestry	1) Tree and fruit tree seedlings production support. 2) Commercial woodlot establishment. 3) Apiculture
3) Livestock	1) Honey production support (establishment of apiaries) 2) Honey processing and packaging support 3) Improved breeding stock support (Dairy goats and cows) 4) Indigenous Poultry, 5) Rabbit rearing, 6) Rehabilitation/renovation of cattle dips. 7) Forage and feed production support. 8) Husbandry facilities for livestock. 9) Milk cooling equipment for dairy farmers.
4) Fisheries and Mariculture	1) Modern fishing boats and gear support (boat engines, nets, diving and safety gear etc.) 2) Construction and stocking of ponds 3) Fish farming feed production support; 4) Fingerlings production and small scale hatchery support (power pump, shed and other support) 5) Value addition support (small scale fish processing, fish bandas, cold rooms, freezers, solar driers, and cool boxes for fish mongers). 6) Seaweed farming and value addition support 7) Sport fishing: training for sport fishing, conversion of BMU boats to services providers for sport or educational fishing to tourist, etc. 8) Mama karangas support: boats, solar driers, cool boxes, organization and branding of groups, micro-fish markets days, capacity building for accounting, hygiene, sealing fish to hotels, bicycles for transportation, other needs.
5) Cottage Industries	6) Small scale cottage industries – soap making, handicrafts etc. 7) Fish processing
8) Community/ rural roads	1. Repair /construction of small bridges and culverts to access markets/fish landing sites/produce collection centres
8) Markets	Rehabilitation or minor extension of existing markets, fish bandas and other fish handling infrastructure, etc.
9) SMEs	Small and medium enterprises such as Salons, cyber cafes, car wash, artistic tools etc. only in the priority areas 1 (coastal areas within 5km). A criterion to guide award of sub-projects in this category shall be developed before any issuance is actualised

2. Social Welfare and Environment/ Natural Capital Sub-Projects

Social Welfare	Eligible Sub-project	Clarifications and Limitations on Eligible Categories
	Water supply	Rehabilitation/construction of wells, rainwater harvesting, minor installation of pipelines from existing water sources. County Water agency or national water agency to support the subproject with water quality assessment, water availability study and definition of water management system – and fees needed to be sustainable
	Educational facilities- Additional classrooms to existing schools or new schools	Rehabilitation or construction of classroom(s), dormitories or ECD centres in public schools. County Education agency or national responsible agency on Education to finance the teachers and administration needed to have the facility operated and operational cost (water, electricity, chairs, desks, etc).
	Rural health centres - Level 1 community facilities and Level 2 dispensaries .	Rehabilitation or minor extension of existing facilities in public dispensaries or heath centres. County Health agency or national responsible agency on health to finance the nurses or doctor needed to have the facility operated and operational cost (medicines, alcohol, etc).
	Rural electrification	Small scale solar street lighting or lighting at fish landing sites.
	Recreation/resource centres	Rehabilitation/minor extension/construction of a small community recreation/youth development/resource centres.
	Sanitation facilities	Minor extension or construction of public latrines, small scale waste water treatment and disposal facilities, etc.
Environment/ Natural Capital	**Eligible Sub-project**	**Clarifications and Limitations on Eligible Categories**
	Mangrove forest rehabilitation	- Mangrove tree nursery establishment support - Mangrove seedling planting degraded areas
	Tree planting	- Forest and landscape restoration of natural and critical habitats in priority areas of counties. - Support coordination and implementation of FLR plans with NGOs and other groups and private sector already working in forest and landscape restoration- - Small scale infrastructure support (Installation of water tank for roof catchment, small store and potting shade construction) - Tree planting in public land, river banks and hilltops and protected areas support - Commercial woodlot establishment (native species and exotic if needed)
	Marine ecosystem	Coral restoration initiative with experts of NGOs. Coral research with experts and NGOs. Coral training and education campaigns to provide opportunities to learn to local communities, tourist and government officers

	Marine debris management	Marine debris education campaigns, preparation of material and instillment of bins to collect debris Coordination of events with municipalities and private sector to improve collection and treatment Marine plastic collection and establishment of storage of marine debris units support Support for coordination of groups, organization and branding- preparation of proposals and education campaigns
	Eco-tourism	Boardwalk, sport fishing, education centres
	Any other activity that supports the Government of Kenya commitments to the GBF and the targets for restoration	The Global Biodiversity Framework and ratified by Kenya includes many targets to protect biodiversity and also the Government has set up targets to restore trees. The project can support these efforts. https://www.cbd.int/meetings/COP-15 https://ntvkenya.co.ke/climate-change/president-ruto-launches-tree-restoration-program-to-combat-climate-change/

"Negative List"

The ECCL sub-component will not support sub-projects which:

1	Are of environmental category "A in nature (see list in Annex 10)
2	Are not included in the Community Development Plan (CDP) approved by the target community during the PICD process
3	Involve purchase of land, property taxes, debt repayment, purchase of non-productive vehicles
4	Include the payment of compensation for land or asset loss from the Project funds.
5	Require physical relocation or displacement of any villagers
6	Could potentially lead to overall increase in fishing of the overexploited stock
7	Subprojects that affect species in protected areas, Key Biodiversity areas and other critical habitats as defined by the World Bank safeguard policies and the GoK.
8	Dominance of the elites in the sharing or controlling the benefits accruing from the sub-project.
9	Do not provide equal pay for equal work for women and men;
10	Exclude the poor or marginalized groups in the target community.
11	Have negative environmental or social impacts that are irreversible, create cumulative impacts and/or cannot be adequately mitigated
12	Are financed, or scheduled to be financed, by the National government or Participating Counties or other development partners;
13	Involve the purchase or use of drugs, equipment or other potentially dangerous materials and equipment or other investments detrimental to the environment and livelihoods, including cultural resources;
14	Involve activities that cause or lead to child abuse or child labor exploitation.

Annex 7: (A) Sub Project Concept Form

Name: /CBO_____ Village _____

Ward: _____ County _____

Number of active members: Male: _____ (% of total) Female: _____ (% of total)

Contact Person: _____ Tell: _____

A. GENERAL INFORMATION
Name of proposed sub-project:
Category: Livelihood/Productive _____ Social/Environmental _____
Problem Statement: (Problem to be addressed by the sub-project. Relate to the CDP)
Project Purpose: (state what the sub-project intends to achieve. Relate to the CDP)
Project Beneficiaries and Expected Benefits: *(disaggregate by estimated number, sex, & type of benefit)* Total Number of HH Beneficiaries: _____ Total Male Beneficiaries: _____ Total Female Beneficiaries: _____ (Also indicate type of benefits)
B. DESCRIPTION OF PROJECT COMPONENTS
1. Physical/Infrastructure component a) Specify the scope of works or main activities to be undertaken by the proposed sub-project: b) Labor/Workforce requirement: (skilled and unskilled) c) Equipment requirement: d) Do you have any technical or business plan for the proposed sub-project?
2. Training *(specify training area and estimated number of women and men participants)*
3. Women Involvement *(mention strategies that will be used to ensure women's participation)*
C. SAFEGUARD CONCERNS
a) Will the sub-project cause any displacement or relocation of community members during implementation? Yes ____No _____ b) Have you acquired the proposed site/location? If yes, Deed of Sale __ Donated __ CBO Owned __ Other: (specify) __ c) Have the necessary permits been accomplished? (e.g. NEMA, WARMA)
D. FINANCIAL ECONOMIC ASPECT

Cost Items Per Component	ECCL Grant (KES)	CPIU (KES)	Community (KES)	Total (KES)
Goods and works (Breakdown by units and costs				
Training (*To be administered by CPIU)*				
Management (*administrative cost – from community funds*)				
Others, specify				
Total Estimated Cost				
Local Counterpart Contribution (LCC)				

E. SUB-PROJECT SUSTAINABILITY
How do you plan to maintain the completed sub-projects? Is the community willing to pay for service charge and by how much? (Social welfare) Other sources of funds for the operation and maintenance activities?

(B) CONCEPT NOTE EVALUATION SCORE FORM

S/No	CRITERIA	Score	REMARKS
1	Was the group represented during the PICD training?		
2	Is the concept in line with positive list as indicated in annex 6 of PGM?		
3	Are the group members the priority target beneficiaries?		
4	Is the concept in in line with the respective CDP?		
5	Is the concept fully filled and sufficiently elaborate?		
6	Does the group have the required membership for the sub-project category applied for in relation to the three grant windows?		
7	Is the grant amount applied for within the sub – category limits with respect to household investments?		
8	Is the project sustainable?		
	TOTAL		
	A concept goes to proposal development if it scores 7 points and above, below 7 the concept goes back to the group for revision.		

NB: Scores: 0, 1, 2

- Criteria 3 and 4 have a maximum of 2 points while the others have a maximum of 1
- A score of 0 in criteria 1, 2 and 4 leads to automatic rejection of the concept.

Annex 8: Sub-Project Application and Proposal Form

A: APPLICATION

ECCL Application (No. ……)

Category of Sub-Project: ……

BACKGROUND INFORMATION

Name of CIG/CBO/Institution ……

Physical location: County: …… Sub-county: ……
Constituency: …… Ward: ……
Village Unit: ……

Address: …… Telephone: ……..

Membership: …… Male: …… Female: ……

BMU Aligned to: ……No of fishermen;……Fish traders……

Mama karanga:……Any other……(specify)……..

(**Attach complete membership list)**

Registration No: ……

(Attach certified copy of renewed registration certificate)

Bank account (Bank name, branch, account name & account number):

Bank Name ……

Branch: ……

Account Name:……

Account Number:……

…….. **(Attach certified copy of current bank statement**)

Nearest market centre to the sub-project site……
(Attach sketch Map)

Date of proposal submission: ……

Names of group officials:

Chairman: …… ID No: …… Cell phone: ……

Secretary: …… ID No: …… Cell phone: ……

Treasurer: …… ID No: …… Cell phone: ……

(**Attach copies of identity cards for group officials)**

Previous activities of the group (for existing groups):

Activity	Funding source	Amount	Year	Collaborator

B. SUB-PROJECT PROPOSAL

Sub-Project Background

Sub-Project Title: ……
……

Sub-ProjectImplementationperiod:……Start:……End……

Direct beneficiaries (CIG members): …… Male …… Female ……

Indirect beneficiaries (Household members): …… Male …… Female ……

Total number of beneficiaries: …… Male…… Female……

Number of VMG beneficiaries (Total…… Male…… Female ……

Location of the sub-project (coordinates): ……

Provide a brief description of the proposed sub-project (sub-project description)

……
……
……
……

Sub-**Project Identification**

Why did you choose the above sub-project? ……
……

Who was involved in the process of identifying the sub-project?? ……
……
……

What were the steps thattook place in developing the sub-project idea? ……
……
……

Sub-Project Framework

What is/are the expected *results* post-implementation (**increased house-hold income, capacity building, up-scaling, building a revolving fund etc.)**

What is/are the *objective(s)* of the sub-project? ……
……
……

What problems does the sub-project aim at addressing at the community level?

……
……
……

Activities to be carried out:

No.	Activity	institution or person responsible:	Time (months)
1.			
2.			
3.			

Attach a separate sheet if space is not enough

List the collaborators you will work with

No.	Collaborator	Area of collaboration
1.		
2.		
3.		

Monitoring of Progress

Who will be involved in monitoring? .....
.....
.....

How frequent will the progress report be submitted? .....
.....

Who will be responsible for reporting? .....
.....

How will the report reach the community members? .....
.....

How will the proposed sub-project assist in achieving the Project Development Objective (PDO) which is to improve management of priority fisheries and mariculture and increase access to complementary livelihood activities in coastal communities?

.....

How will you measure your success in planning, implementing and managing your sub-projects in a sustainable and socially inclusive manner? .....
.....

How will you ensure sustainability of the sub-project? .....
.....

How will you manage the benefits that will accrue from the sub-project? .....
.....

(The group should attach a benefit sharing agreement signed by group members)

Detailed Budget

sub-Project cost including community contribution (**the budget items to include but not limited to: inputs, equipment, training cost, labor, materials, transport, stationery, administrative and supervision cost)**

No.	Activity	Budget item	No.	Unit Cost	Total Cost	Community Contribution	KEMFSED Grant	Total Amount
1.								
2.								
3.								
TOTAL SUB-PROJECT COST:								
COMMUNITY CONTRIBUTION:								
TOTAL KEMFSED GRANT APPLIED FOR:[1]								

List the in-kind contribution that the group will provide:

A. Labor (man-days & value) .....
.....
.....

B. Materials (type, quantity & value) .....
.....
.....

We certify that the preceding information is true.

Chairperson: ..... signature ..... date.....

Secretary: ..... signature ..... date.....

Group member: ..... signature ..... date. .....

(For official use only)

Comments by the technical department/officer: .....

.....

Recommended: Yes ..... No ..... Date of meeting: .....

(Attach minutes)

Comments by the CPIU: .....

Endorsed: Yes ..... No ..... Date of meeting: .....

(Attach minutes)

Chairman Name: ..... signature: .....

Date: ..... Official rubber stamp:

No	Name	ID No	Gender M/F	VMG	VH	Age	Contact	Signature
1.								
2.								
3.								
4.								

ATTACHMENT 1 – Group membership list

RECEIVED BY.....

DESIGNATION..... SIGNATURE.....

DATE:..... OFFICIAL RUBBER STAMP .....

TOT IN CHARGE ..... TA IN CHARGE .....

(C) FIELD SCREENING CHECKLIST FOR SUB PROJECT PROPOSALS

Name of CIG/CBO: ……ECCL NO……..

Sub-Project Title: ……..…Category……

County: ……..Sub-County: …… Ward: ……..……Village ……..

No.	Criteria	Comments/Remarks
1.	How often do group members meet	
2.	Ability to mobilise10% community contribution (in-Kind/Cash contribution)	
3	Sub project sustainability	
	· Water availability (source/reliability)	
	· Land availability (size and ownership documents)	
	· Is the land suitable for the sub project?	
4	Experiences on sub-project implementation	
	Status of current group activities	
	Status of previously funded activities (if any)	
4.	Group cohesiveness/dynamics	
6.	Present members (physical count)	
	Evidence of group activities (meeting minutes/records (provide copies)	
	Availability of vulnerable and marginalized group (state how many)	
5	Affiliated (State how many members	
	How Long has the group being in existence (Provide updated group certificate, certified bank statement and Members ID's).	
6	Fisheries sub projects:	
	Is the group affiliated to any BMU Affiliated (Member)?	
	Current activities	
	Are they Compliance to fisheries regulation?	
	Do you have knowledge on fishing activities	
7	Any Other Observation/Comments/Challenges	

General comment/recommendation:

(i)……..

……

(ii)……

……..

(iii)……..

Name……Designation: ……

Sign:……..

Annex 9: ESMF Screening Checklist and Review Form

A) ESMF Screening Check List [1]

[This checklist is to be used by CIGs/CBOs and to be submitted to the CPIU]

KEMFSED Project:

Sub-project name [type here]

Location [type here]

Executing entity [type here]

Estimated cost (KES) [type here]

TYPE OF PROJECT OR ACTIVITY

CATEGORY A
- ☐ Policy, legal or strategy document
- ❒ Dam project greater than 15m in height
- ❒ Medium-scale irrigation scheme
- ❒ Medium- scale water storage Structure
- ❒ Rehabilitation of water storage structure
- ❒ Forestry concession with the private sector
- ❒ Construction of roads, bridges
- ❒ Activities affecting protected areas or wildlife habitats

CATEGORY B
- ❒ Farm forestry or agro-forestry, small-scale woodlots and tree nurseries
- ❒ Small-scale irrigation scheme
- ❒ Small-scale water storage facility
- ❒ Spring capping or rural water supply scheme
- ❒ Small-scale dam (less than 10 m in height)
- ❒ Check- dam
- ❒ Forest infrastructure
- ❒ Participatory forest management or reforestation
- ❒ Dykes
- ❒ Riverbank Stabilization
- ❒ Terracing of farmland
- ❒ Fisheries/Mariculture Interventions

Please give more details: [type here]

- ❒ Livestock Interventions

Please give more details [type here]

- ❒ Agricultural interventions

Please give more details: [type here]

- ❒ Support to Income generating initiatives

Please give more details: [type here]

- ❒ Other

Please give more details: [type here]

1 Category A type sub-projects will not be funded under the KEMFSED Project

CATEGORY B PROJECTS

Please describe how the project complies with the most relevant planning document for example the County Integrated Development Plan or the Sub Catchment Plan:	[type here]	
Will the Project:	Yes	No
Adversely affect natural habitats nearby, including forests, rivers or wetlands?	☐	☐
Require large volumes of construction materials (e.g. gravel, stone, water, timber, firewood)?	☐	☐
Use water during or after construction, which will reduce the local availability of groundwater and surface water	☐	☐
Lead to soil degradation, soil erosion salinity in the area?	☐	☐
Create waste that could adversely affect local soils, vegetation, rivers and streams or groundwater	☐	☐
Create pools of water that provide breeding grounds for disease vectors (for example malaria or bilharzia)?	☐	☐
Involve significant excavations, demolition, movement of earth, flooding, or other environmental changes?	☐	☐
Affect historically-important or culturally-important site nearby?	☐	☐
Require land for its development, and therefore displace individuals, families or businesses from land that is currently occupied, or restrict people's access to crops, pasture, fisheries, forests or cultural resources, whether on a permanent or temporary basis?	☐	☐
Result in human health or safety risks during construction or later?	☐	☐
Involve inward migration of people from outside the area for employment or other purposes?	☐	☐
Result in conflict or disputes among communities?	☐	☐
Affect indigenous people, or be located in an area occupied by indigenous people?	☐	☐
Involve the construction of a dam or weir, depend on water supplied from an existing dam?	☐	☐
Result in a significant change/loss in livelihood of individuals?	☐	☐
Adversely affect the livelihoods and /or the rights of women?	☐	☐
If you have answered Yes to any of the above, please describe the measures that the project will take to avoid or mitigate environmental and social impacts	[type here]	
What measures will the project take to ensure that it is technically and financially sustainable?	[type here]	

CONCLUSION

Which course of action do you recommend?

☐ ESMP ☐ ESIA ☐ RAP

☐ Community to be given full responsibility to mitigate environmental risks

☐ SCAs to provide detailed guidance on mitigation of risks to the community

☐ Specific advice is required from County Officer in the following area (s):

Type here

☐ People will be physically or economically displaced, and therefore a RAP is required (work with CPIU to develop and implement the report).

☐ There are no environmental or social risks

Completed by: [type here]

Name: [type here]

Position/ Community: [type here]

Date: [type here]

Assisted by: [type here]

Name of officer: [type here]

Position: [type here]

Date: [type here]

ESMF Screening Checklist Review Form

[This checklist is to be used by CIGs/CBO and to be submitted to CPIU]

	Yes	No
Has the project proponent selected the correct type and category for this project?	☐	☐

If 'No', please select the correct type of project or activity below:

CATEGORY A	☐	Policy, legal or strategy document
	☐	Dam project greater than 15m in height
	☐	Medium-scale irrigation scheme
	☐	Medium-scale water storage structure
	☐	Rehabilitation of water storage structure
	☐	Forestry concession with the private sector
	☐	Construction of roads, bridges
CATEGORY B	☐	Farm forestry or agroforestry, small-scale woodlots and tree nurseries
	☐	Small-scale irrigation scheme
	☐	Small-scale water storage facility
	☐	Spring capping or rural water supply scheme
	☐	Small-scale dam (less than 10 m in height)
	☐	Check-dam
	☐	Forest infrastructure
	☐	Participatory forest management or re-afforestation
	☐	Dykes
	☐	Riverbank stabilization
	☐	Terracing of farmland
	☐	Fisheries and Mariculture interventions Please give more details: [type here]
	☐	Livestock interventions Please give more details: [type here]
	☐	Agricultural interventions Please give more details: [type here]
	☐	Support to Income generating initiatives Please give more details: [type here]
	☐	Other Please give more details: [type here]

CATEGORY B PROJECTS

Based on the location and the type of project, please explain whether the Proponent's responses are satisfactory:

	Yes	No
Their description of the compliance of the project with relevant planning documents	☐	☐
If 'No', please explain: [type here]		
Their responses to the questions on environmental and social impacts	☐	☐
If 'No', please explain: [type here]		
Their proposed mitigation measures	☐	☐
If 'No', please explain: [type here]		
Their proposed measures to ensure sustainability	☐	☐
If 'No', please explain: [type here]		

REVIEWER'S CONCLUSION

Which course of action do you recommend?

☐ No, sub-project is NOT eligible for KEMFSED funding

☐ Yes, sub-project IS eligible for KEMFSED funding

If YES (above) which Relevant Documentation needed:

☐ ESMP ☐ ESIA ☐ VMGP ☐ RAP

☐ There are no environmental or social risks

☐ Community to be given full responsibility to mitigate environmental and social risks, as set out in the screening checklist

☐ SCAs to provide detailed guidance on mitigation of risks to the community

☐ Specific advice is required from County Officers in the following area(s):

[type here]

☐ People will be physically or economically displaced, and therefore a RAP is required

If this differs from the Proponent's recommended course of action, please explain:

[type here]

☐ Preparation of a Project Report, based on field appraisal by County Officer, is required to investigate further, specifically to investigate:

[type here]

☐ Reject

Review form completed by: [type here]

Name of officer: [type here]

Position / : [type here]

Date: [type here]

Annex 10: Checklist for Initial Screening of Proposals

1. Sub-Project Title: _____

2. Name of CIG/CBO: _____

3. Community _____ Ward _____ Sub- County_____

Total Project Cost: KES_____ CIG Contribution: KES_____

4. Criteria for assessment of compliance with acceptance rules:

(1) The CIG meets the eligibility criteria; ☐ yes ☐ no

(2) The application is readable and understandable; ☐ yes ☐ no

(3) Project duration is acceptable (within 1 year) ☐ yes ☐ no

(4) Requested ECCL funding is within limits: ☐ yes ☐ no

(7) Applicant's total contribution is within limits: ☐ yes ☐ no

(8) Disbursement criteria in the budget is followed: ☐ yes ☐ no

(9) Description of the business/investment is included: ☐ yes ☐ no

(11) Detailed project budget is included: ☐ yes ☐ no

(12) Complete project implementation plan is included: ☐ yes ☐ no

(13) Complete support documentation is provided: ☐ yes ☐ no

[NOTE: If the application does not meet some of these criteria of compliance with acceptance rules, the application should not be accepted and should be returned to the CIG to make the necessary improvements]

5. Screening result:

The sub-project is accepted for Technical, Social and Environmental Appraisal by CPIU

☐ yes ☐ no

6. Comments (if any): _____

_____

_____

Signature of the County Technical Assistant/Field Officer:

_____ Date:_____

Annex 11: Sub-Project Appraisal Form

(Indicative criteria for selection)

Indicator	0	1	2	Give two specific reasons why/why not
1. Will this project improve livelihoods or reduce livelihood Risks?				1. 2.
2. Is there good participation and involvement of key stakeholders?				1. 2.
3. Does the project specifically (have the potential) address the concerns of women?				1. 2.
4. How will this project empower vulnerable and marginalized groups?				1. 2.
5. Community capacity to carry out project				1 2
6. Strategic Partner capacity to carry out the project				1 2
7. Project feasibility (objectives, budget/time)				1 2
8. Sustainability (Environmental Assessment)				1 2
Final Score	0	8	16	
0= low score=no; 1=Maybe; 2= high score=yes Min points = 0 Max points = 16				Cut off for acceptance level 9 and above accept 8 Borderline – further review 7 and below reject
The question arises as to the "meaning" of the values on the scores in the ratings. The "7" values mean definitely no and the "9" values mean definitely yes but the "8" values mean maybe yes or maybe no and invite further investigation to make a clear decision. The way to define these is for regular meetings of all National and County staff to debate the numerical meanings against the actual experiences with specific projects in each and across the five counties and will evolve as having a collective participatory meaning rather than any absolute meaning.				

Note: The ranking system focuses directly on the key issues related to project objectives (Livelihoods and economic enhancement, social welfare improvement and environment/ natural capital improvement) and seeks to eliminate projects that do not meet those objectives.

Annex 12: Commitment Agreement

Commitment Agreement between _____ of _____ Kenya Marine Fisheries and Socio-Economic Development (KEMFSED) Project for implementation of _____

The main objective of the KEMFSED Project is to improve management of priority fisheries and mariculture and increase access to complementary livelihood activities in coastal communities. The project will work with communities through demand-driven community-led development approaches to enhance their capacity to identify and prioritize interventions aimed at creating alternative livelihoods to improve the socio-economic status of the beneficiaries. The project will also address the problem of fisheries infrastructure through identification of value chain interventions that will improve income, create employment and generate income and promote sustainable fishing that is anchored on good governance, accountable leadership, and a results-based approach to service delivery.

The KEMFSED Project and _____ will cooperate within the framework of this commitment agreement to achieve the above objective. In general terms, the KEMFSED Project will provide funds for the approved sub-projects within the KEMFSED Project funding criteria and ceilings while _____ County Project Implementation Unit will be responsible for community sensitization, planning project preparation, disbursement of funds for activities within the work plan, monitoring and reporting. The financing is for projects identified by the community as their priority projects and as submitted in the proposal.

This commitment agreement is hereby agreed between the two organizations with respect to

_____ project in _____

Ward of _____ Sub County _____County_____

The details of the interventions are as follows:

Ref_____

Date_____

Name of intervention_____

Sector_____

Project location_____

Sub County _____

Total cost of intervention: KES. _____

Total KEMFSED funds approved _____

SP contribution_____

Community contribution_____

Other contribution_____

Number of KEMFSED tranches _____

Date of commencement_____

Expected date of completion_____

CPIU approval (CPIU Minutes) _____

Number of people or households benefiting from Intervention _____

We _____ being CBO/ CIG Community Group registered under _____ Registration No. _____ of date_____

hereby agree to implement the above intervention in partnership with KEMFSED. This intervention is based on the PRIORITY of _____ community through participatory methods (Report attached to proposal) and will be implemented for the benefit of approximately _____ beneficiaries.

It is agreed that:

The project proposal submitted by _____ forms part of this agreement and unless otherwise explained and agreed, implementation of the intervention will generally follow the implementation strategy and time frame in this agreement.

The _____ must assist the beneficiary community to elect a Project Management Committee (PMC) for the intervention. The committee must be composed of both men and women and should elect a chairman, secretary and treasurer. The PMC will be involved in the implementation of the intervention.

The beneficiary community and their committee should sign an agreement with _____in which the latter is charged and authorized to act as intermediary on behalf of the community in implementing the project.

The community contribution to this intervention must be _____ percent (%) in cash or in kind.

Materials and other assets pledged as community contribution should preferably be at the site and proof of cash collected shown before KEMFSED disburse funds.

_____ ensures that the community and relevant authorities know that the intervention is assisted by the KEMFSED.

The _____in conjunction with PMC will submit to the KEMFSED Project a detailed activity schedule showing what project activities will be carried out by whom and when.

_____ shall ensure that KEMFSED Project funds are used ONLY to finance activities specifically budgeted for. Any deviation in expenditure (unless approved by KEMFSED) from the approved budget may lead to the suspension of funding to the project.

KEMFSED Project will not pay for salaries/wages or any cost in the purchase of equipment and other items to improve the capacity of the Strategic Partner.

The KEMFSED will disburse funds in _____ tranches. The disbursement of subsequent tranches will depend on the proper accounting of the previous funds.

All expenditure shall carefully be recorded and supported by receipts, invoices, certificates etc. Monthly financial returns will be submitted to the KEMFSED Project in the attached format.

At the PMC level a materials stock book shall be maintained showing entries of all materials bought or used. The issuing member and one receiving must sign to acknowledge quantities of issue and receipt.

Where money will be used to procure equipment, quotations will be used to procure these items to ensure competitive pricing of the items. Specialized services will also follow the same procedure. A bank account will be operated (where appropriate) for a community group that intends to operate a business. The names of the signatories to the account will be submitted to the KEMFSED Project.

_____ will provide the KEMFSED Project with proposed curriculum for training to be carried out. Details of training should include venue of training, number of participants (male, female) number of facilitators, names and organizations of facilitators and their roles (A detailed training report to be submitted to KEMFSED after the training). All training undertaken should be geared to skills transfer that will enable the community members manage and sustain projects. The PMC should be trained in monitoring the intervention.

_____ will be responsible to KEMFSED Project regarding the implementation of this intervention. However, the County Project Implementation Unit and the relevant technical department will also do on-going monitoring.

_____ will provide monthly progress report to KEMFSED Project with copies to the CPSC. The report will detail indicators of progress, problem encountered, community participation, expenditure, plan of action for the next quarter.

_____ will always fully disclose or make available any information as may be required by the KEMFSED/CPSC or Agents appointed by them.

The KEMFSED Project will continue to monitor progress of intervention in consultation with _____ and may make suggestions and recommendations for improved project implementation.

Where the use of funds has not been in accordance with the agreement, KEMFSED Project will require a refund from the implementing agency/ community/ individual and withdraw the remaining tranches.

Expenditure not within the agreed work plan budget may necessitate suspension of further funding and recalling of the unspent amount held by the implementing agency/community/individual.

This Commitment Agreement is signed on behalf of both organizations by:

CPIU

Signed _____

County Project Coordinator

KEMFSED Project

P.O Box .....

CIG/CBO

Chairman _____

Secretary _____

Treasurer _____

Witnesses: .....

Annex 13: Agreement for Community Grant

This is an agreement between_____ County as Represented by _____

(To be agreed) AND _____ Community as Represented by: _____ Project Leader

FOR

Sub-Project Name……

Estimated Cost KES ……

What is the project objective and activities?

……

……

Amounts and use of the Grant

The KEMFSED Project will provide through its contact person a grant of up to KES

…… (Amount in words) ……

……

This grant is exclusively to be used for the above project (as detailed in the attached project document) to be implemented by the above-named community.

Other contributors are:

a) ……

b) ……

The community will meet any additional costs. Any unused funds will be returned to the CPIU account for use in other projects.

Payment of the Grant

The recipient must meet the following conditions before payment of the Grant:

a) Legally binding signature of the contract by the authorized representative of the community noted above.

b) Attach an agreed project proposal including activities, cost and monitoring schedules that are an integral part of this agreement.

Payment of this grant will take the form of a lump sum advance payment in cash or in material according to the following schedule:

Cash: .....

Material: .....

The payments will be released in tranches – and the number of tranches should not exceed four.

Sub-Project Monitoring and Reporting

The Community Committee/Representative will:

a) Use KEMFSED Project procurement and accounting guidelines for all transactions of the project;

b) Issue a signed formal receipt for all material, cash and/or services received within the project framework;

c) Submit all original invoices from suppliers and/or contracts properly receipted together with periodic and final accounts indicating total inputs received, total expenditures made and remaining balances;

d) Write a narrative report indicating the progress and completion of the project, including any problems or constraints to progress.

Project Completion and Evaluation

The Project Management Committee/ Representative will arrange with the CPC a formal participatory evaluation of the project following physical completion that will include beneficiaries.

The evaluation will include:

a) A review of the quality and cost effectiveness of all physical structures;

b) A review of any training, its quality and value;

c) Project impact in terms of improving household livelihoods, reducing household risks;

d) Positive/negative environmental impacts;

e) A financial/performance audit of the implementation process;

f) Documentation of lessons learned for future project benefit.

An authorized official of the CPIU will write the Evaluation Report, including a description of the participatory methodology used and incorporating community views and comments.

Signed for and on behalf of:

Community _____

County Project Implementation Unit _____

Annex 14: Payment Voucher

PAYMENT VOUCHER FOR ECCL SUB-PROJECT

County: .....

Name of CIG: .....

Name of Sub Project: .....

Payee's Name & Address: .....

Cheque Number: .....

Particulars	Amount (KES)
TOTAL (KES)	

Amount Payable (in words) .....

Prepared by: ..... Designation: ..... Date: .....

Vendor's Signature: ..... ID number: .....

Phone number: .....

Authorized by: ..... Chairman: ..... Date: .....

Annex 15: Guidelines for Voucher Payment System

Voucher System of Payment

Voucher system of payment is a mode of payment in which project beneficiary groups are issued with e-vouchers (bulk short message system (SMS) by service provider) which they use to pay for inputs for implementing their sub-projects from prequalified stockiest or vendors.

While ensuring a limited degree of choice, it simultaneously ensures that all items purchased by beneficiaries are productive items. - anti-social uses associated with cash Vouchers are harder to use than cash, the possibility of checks-and-balances is greater. The voucher system also empowers beneficiaries while limiting antisocial uses and security risks.

Appropriate contexts for the e-voucher system of payment:

The voucher system of payment will be most appropriate where:

- Beneficiary communities require high volumes of agricultural inputs (seeds, seedlings, chemical, fertilizers etc).
- Local/external vendors have a diversified stock and enough supply to cater to this demand?

What will be required to establish the system:

- There should be projects staff exclusively devoted to the project e-voucher component (mobilization, issuing of e-voucher cards, organization of the voucher redemption, monitoring of e-voucher operations)
- Effective beneficiary mobilization: mobilization meetings at the onset of the project and also to be renewed regularly throughout the project cycle. The meetings should cover the project's rationale, its expected benefits and modalities of e-voucher operations.

Implementing e-voucher system of Payment:

The key activities that will be undertaken include:

1) Community mobilization

There will be mobilization meetings with the potential community groups for e-voucher system of payment, based on the selected sub-project to allow buy-in for the system. These meetings will be at the onset of the project and also to be renewed regularly throughout the project cycle. They will cover the project's rationale, its expected benefits and modalities of e-voucher operations.

2) Selection of Input stockists/venders.

After getting the approval for the proposals, the CPIU will start the process of selecting suitable stockiests who will be interested in participating in the e-voucher system of payment.

The selection process will use the following procedure:

- After receiving the approval of most of the proposals, the CPIU will list the items which can be procured through the voucher system of payment.

- The CPIU will make an advertisement in the project areas for interested vendors to express interest in participating in the e-voucher payment programme, also stating the minimum requirements. Some of the requirements for Stockiest Participation in the e-voucher payment scheme will be that the stockiest must:
  - Have a suitable physical business premise which must either belong to the stockiest, or the stockiest must be able to show a signed tenancy agreement with the owner. The shop must be suitably arranged for sale of agricultural inputs.
  - Have qualified and licensed as an agricultural input/chemical dealer.
  - Have a bank account.
  - Sign a pledge form promising to abide by the Project's code of conduct.
  - Have the capacity to supply the quality and quantity of inputs required by the Project.
- After receiving the list of interested stockiest, the CPIU will embark on the selection process which should include on-site visits to assess the conformity of interested retailers to these minimal requirements (Template Questionnaire to be developed).
- When an interested input dealer is deemed qualified to join the project, an agreement should be signed between him/her and the Project (Template agreement to be developed).
- The selected dealers should be given some induction prior to their certification as project input dealers.
- The Project should identify retailers that are close to project sites and easily accessible for beneficiaries, to avoid beneficiary demotivation and lack of adhesion to the project.

Some of the requirements for Stockiest Participation in the e-voucher payment scheme will be that the stockiest must:

a) Have a suitable physical business premise which must either belong to the stockist, or the stockiest must be able to show a signed tenancy agreement with the owner. The shop must be suitably arranged for sale of agricultural inputs.
b) Have qualified and licensed as an agricultural input/chemical dealer.
c) Have a bank account.
d) Sign a pledge form promising to abide by the Project's code of conduct.
e) Have the capacity to supply the quality and quantity of inputs required by the Project.

3) e-voucher System

The e-voucher system will be supported by service provider mobile company given its wider coverage and its operations in all the five participating counties. This will have reduced operational costs, the CPIU shall cause to create a back end system for bulk SMS generation for e-vouchering system and open a special purpose account; an account that shall be exclusively for the e-vouching system.

The CPIUs upon receiving the list of selected input stockiest or vendors shall create them accounts in the back end system that will enable them transact with the project. The system shall be generating real time reports on transactions and account status.

The respective CPIUs through their appointed officer in-charges to manage the e-vouching process shall generate an Unstructured Supplementary Service Data (USSD) code that shall be sent to the CIGs/CBOS as bulk SMS with unique secret serial code for the amounts sent

as per the approved e-voucher schedule.

Once the serial code is received as an SMS by the three officials or signatories, then the three shall all have to enter the USSD code *789# proceed to approval options for the three officials by their registered mobile telephone numbers entering the secret serial code then the Treasurer to select specific vendor in the list provided, enter Paybill/Till number of the vendor thereby effecting payment.

The CIGs/CBOs shall have an approved e-vouching schedule from which they shall be making requisitions and LPOs or LSOs that will prompt generation of serial codes for the order amounts. All the copies of either Local Purchase Order or Local Service Orders shall be sent to the officer responsible for the e-vouching system for record and generation of bulk SMS.

e-Voucher System Step-By-Step

Step 1: Officer in-charge of e-vouching system generates a USSD code from the back end system to be sent through the platform (represented with a short code, e.g. *789#)

Step 2: An SMS is sent from the e-voucher platform (represented by a short code, e.g., 66778899) together with the USSD code to CIG/CBO “ABC” three officials or signatories.

e.g.: “Your e-voucher number is 66778899, please enter *789# and follow the instructions.

Step 3: The farmer goes to a vendor/stockist “XYZ” with the SMS and either an LPO or LSO for the order.

Step 4: Vendor/Stockist XYZ must have an active Paybill or Till account and is coded within a specific CPIU operation area. (e.g. *789*001# for Mombasa CPIU vendors/stockists)

Step 5: ABC three officials or signatories enters the USSD code *789# to approve the transaction by entering the prompt entry serial number code 66778899:

“enter transaction code: 66778899 then”.

Reply to:

1. Chairman

2. Secretary

3. Treasurer

· e.g. “The chairman, secretary and treasurer to confirm from their respective forms by selecting the appropriate numbers”. After confirmation the transaction terminates for both the chairman and the secretary. The treasurer will only see his prompt No. 3 once both the chairman and secretary has approved and continue with the remaining processes”.

Step 6: then the treasurer selects a vendor or stockist as listed

Select Vendor:

1. XYZ

2. QRS

3. EFG

· e.g. "Treasure selects number 1 for the appropriate vendor"

Step 7: Treasurer enters amount to be paid, not more than provided for in the order but less is acceptable.

e.g. Enter Amount

Kshs 20,000 then accept (If <20,000 then acceptable but >20,000 the system will reject)

N/B: The balance will be held in the same code 66778899 for subsequent utilization.

Step 8: Treasurer enters Paybill or Till number of the vendor to effect the payment:

e.g.: "you have successfully received goods worth Kshs 20,000 from "XYZ" for voucher No. 66778899 Send: "Confirm 1. 66778899"

Step 9: The beneficiary responds to the SMS (following the instructions in Step 6). Finally, the platform sends the following reply:

"Thank you for the confirmation"

5. e-voucher Redemption (Payment) Procedures.

The vendors will redeem their e-vouchers immediately from their respective Paybill or Till accounts with the service provider providing the following documentation to officer in charge of e-vouching system:

· The vendor will be required to submit the following supporting documents to facilitate the redemption: copy of 1) receipt to CIG for supplied goods and services, 2) a copy of the LPO/ LSO and 3) delivery notes.

6. Monitoring of the Voucher Scheme

There will be regular monitoring and oversight of the voucher scheme to track:

i) Overall progress and implementation arrangement;

ii) Beneficiaries satisfaction and use after distribution;

iii) procedures may be adjusted,

The monitoring will be done by county technical officers, project staff and field officers from partner private commercial enterprises.

Anticipated Risks for Voucher for Input Scheme

Risk		Mitigation	Responsible
1. Lack of qualified input dealers in the vicinity of the project sites	medium	- Allow CIGs to use cash system of payment - Approach contract farming commercial Enterprises to be input dealers for the contract farmers groups.	CPIU, CTD, CPIU,CPSC CPSC, NPCU
2. Local stockiest are not interested in the voucher payment programme.	low	- Allow CIGs to use cash system of payment	NPCU,CPSC
3. Local shops do not have the capacity to handle the requirements linked to the project procurement and cash voucher procedures.	medium	- Capacity build existing shoppers to be input dealers for the Project - Use the partnering commercial enterprises as input dealers for contract farmer	CPIU, NPCU
4. Stockist colluding with CIGs to redeem e-vouchers for cash below the market value or selling the inputs at inflated prices.	low	- Stiff sanctions and penalties in letter of agreement. Can include immediate disqualification from participation, legal action, etc.	CPIU,NPCU

Annex 16: Community In-Kind Contribution Book

Name and address of CIG: _____

_____

Project Name: _____Month of Reporting_____

Date	Contributor's Name	Identity card No.	Item	Quantity	Unit cost (KES)	Total Cost (KES)	Contributor's Signature/ thumb print

Prepared by: _____ Date: _____

Reviewed by: _____ Date: _____

Authorized by: _____ Date: _____

Annex 17: Community Cash Contribution Book

Name and Address of CIG: _____

Project Name: _____Month of Reporting_____

Date	Contributors Name	Identity card No.	Amount (KES)	Contributor's Signature/thumb print

Prepared by: _____ Date: _____

Reviewed by: _____ Date: _____

Authorized by: _____ Date: _____

Annex 18: Budget Control Form

Name and address of CIG: _____

Project Name: _____

Month: _____

Budget Line/ Activity.	Original Budget Amount (KES.) (a)	Amount Spent by end of previous Month (KES.) (b)	Expenditure this month (KES.) (c)	Total Expenditure end of the month (KES) (d = b + c)	Balance end of this month (KES) (e = a-d)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
TOTALS					

Prepared by: _____ Date: _____

Treasurer

Reviewed by_____ Date: _____

Member PMC

Authorized by: _____ Date: _____

Chairman PMC

Annex 19: Financial Progress Report

Name of CIG/CBO .....

Name of Sub-Project .....

Type of Sub-Project .....

Reporting period: (month) .....

PAYMENTS

No.	Particulars (Activities/goods)	KES	PAYEE
	Total Payments (KES)		

Total Receipts:

a) KEMFSED Grants (KES) .....

b) Community Contribution (KES) .....

Total Payments (KES).....

Closing balances (KES).....

Compiled by:

Name.....

Signature .....

Date.....

Treasurer, CIG/CBO

Certified by:

Name .....

Signature .....

Date .....

Chairman, CIG/CBO

Annex 20: Accounting for Tranche Grants Disbursement

Name of CIG/CBO .....

Title of Sub-Project .....

Sub-project Cost (KES)..... KEMFSED Project funds approved .....

Community cash contribution expected (KES) .....

Number of tranches approved ..... Number Disbursed .....

Date of commencement ..... Expected date of completion.....

Expenditure on Grants Disbursed to the CIG/CBO

No.	Description of the activity undertaken	Allocation (KES)	Expenditure (KES)	Payee
1.				
2.				
3.				
4.				
5.				
6.				
	Total (KES)			

Total funds receipts

i) KEMFSED Grants (KES) ..... ii) Community Contribution .....

Total Payments (KES)..... **Closing balances** (KES) .....

Planned activities for the subsequent tranche disbursement

No.	Description of the planned activities	Budget for the activities (KES)
1		
2		
3		
4		
5		
	Total	

Name of Treasurer.....Signature.....Date.....

Name of CIG member ..... Signature .....Date.....

Name of CIG Chairman ..... Signature..... Date .....

Annex 21: Summary of Risks and Their Mitigation Measures

Nature of Risk	Risk Rating	Mitigation Measures
Low community contribution due lack of commitment by some CIG members	Low	a) Involve all members in deciding what they can contribute b) Transparency of CIG and PMC on the use of project resources c) Prompt processing of sub-projects grants to retain CIG members interest in the Project d) Prevent elite capture of the sub-project.
Mismanagement of Project resources through loss of project assets, leakage and fraud.	Medium	a) Strengthen internal controls within the CIGs and PMCs b) Provide community groups and committees with skills on financial management and procurement c) Training of the CIG on financial management and governance. d) Clear roles and responsibilities within the CIGs through sub committees. e) Eligibility criteria provides track record of CIG for subsequent funding f) Regular monitoring, supervision and mentoring of community groups by Filed officers g) Funding by milestones h) Field verifications i) Purchase of inputs by cash vouchers j) CIG management held individually and collectively responsible for funds received. k) Imposing severe sanctions on funds misuse.
Few proposals are received from the CIGs	Low	a) More sensitization, mobilization and flagging of opportunities on ECCL investments during and after PICD training in the target communities.
Too many proposals qualify for funding	Medium	a) Request for reallocation of funds to ECCL sub-component in the event of low absorption in any other category
Non-existent CIGs applying for funding	low	a) Eligibility criteria clearly set b) Thorough screening by line ministries/ Field Officers c) Field verification by CPIU
Misuse of funds by one CIG negatively affects the administration of matching grants in the project area.	Medium	a) Each CIG management is held individually and collectively responsible for funds received. b) Stop further withdrawals from the affected CIG sub-project account. c) The Agencies are held collectively responsible to account for funds misused by any CIGs within them. d) CIG properly accounts for the loss.
Delayed release of funds to the CIGs	Medium	a) Implementation activity plans and projected cash flow plans b) Prioritization of CIG activities c) Timely preparation of AIEs d) Timely preparation of SOEs, e) Timely submission of proposals

Annex 22: Stores or Stock Register

Name of the CIG/CBO .....

Name of investment window .....

Left Hand Side of the Stock Register

Entry No.	Date of Receipt	Description of goods & services	Cash sale /Receipt No. / Date	Unit & Quantity received	Total Value KESs	Name, ID & signature of PMC member or official who received the goods/Services on behalf of CIG/ CBO	Declaration No: and date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

- All purchases should be entered in the stock register. The 'Entry No:' should be a running serial number. This number should also be indicated on the individual vouchers, as applicable.
- In case 'Cash Sale/Receipt' is not available, please indicate NA under column (4). In such cases, a Declaration should be completed in another form, indicating the corresponding 'Entry Number' to identify the purchase in the stock register
- The Declaration Form serial number: should be entered in column (8) above to facilitate easy cross reference

Right Hand Side of the Stock Register

Quantity Received as per Item (5)	Date	Quantity issued	Balance after issue (9-10)	Name, ID, and Signature of the CIG/CBO member receiving Supplies	Verified by Field Officer	Endorsed by CPIU Coordinator
(9)	(10)	(11)	(12)	(13)	(14)	(15)

Annex 23: CIG Request for Quotation Form

Serial No: _____ Date: _____

Name of CIG _____

To - Name of the Supplier:

_____

Supply and Delivery of:

_____

So as to reach the ..... on or before ..... at 10 .00 O'clock

Item No.	Description of goods/ Services	Unit of issue	Quantity Required	Unit Price in KES.	Total Cost in KES.	Delivery date

Supplier's Name: _____

Signature and rubber stamp

Opened by: Procurement Subcommittee

Name _____ Signature _____ Date _____

Name _____ Signature _____ Date_____

Name _____ Signature _____ Date_____

Annex 24: Local Purchase Order

Order No. _____ **Date: _____**

Ordered from: _____

Contact Person:
Please deliver the following goods on or before ..... to the delivery address specified under the terms and conditions stated on the reverse side of this order. If you accept these conditions return the second copy of this order signed by authorized person. Invoices must be sent without delay with the goods.

Delivery to: .....

	Description of Item	Quantity	Unit Cost (KES)	Total Cost
			TOTAL	

Total Cost in Words KES: _____
Note: Our payment terms are strictly 14 days net after supply. Orders not supplied within 30 days are automatically void.

Prepared by: _____ Signed: _____ Date: _____
Approved by: _____ Signed: _____ Date: _____
Authorized By:_____ Signed:_____ Date:_____

Distribution of Copies
1. Retained by Supplier
2. Signed by the Supplier and returned to CIG
3. Book copy for control purpose

I acknowledge receipt of this order
Name of Supplier

Date Signed

_____ _____

Annex 25: Local Service Order

Local Service Order No:_____

TO: _____ _____	Tenderer/Quotation Ref. No. _____ Contract Ref No. _____ Date. _____ Requisition No. _____ Date. _____

Please carry out the service listed here below at (full Address)

_____

On terms and conditions stated on the back of this order, on or before _____

and send the invoice immediately to: _____

Item No	Description of Service	Cost KES.	
	TOTAL KES.		

Prepared by: _____ Date: _____

Approved by: _____ Date: _____

Authorized by: _____ Date: _____

I acknowledge receipt of this offer: Name of Contractor: _____

Signature: _____ Date: _____

Distribution of Copies

Original: To be retained by contractor.
Duplicate: To be filled by contractor and returned for attachment to contract documents.
Triplicate: To be attached to Payment Voucher and invoice for payment purposes.
Quadruplicate: Book copy.

Annex 26: Contract for Works

Name and Address of the CIG _____

This Agreement is made between the Representative of the _____[*name and address CIG*] of the one part, and _____on behalf of the contractor [*name and address of the supplier]* of the other part.

It has been agreed as follows:

Clause 1 - Contract Objectives

This contract is for……

……

Name of Sub-Project……

Located at……the village of……

The works assigned to the contractor consist of:

[*a detailed explanation or reference to a description/design/list of quantities in an attachment*]

……
……
……

Clause 2 - Subcontracting

The contractor may subcontract one or several parts of his works only under his entire responsibility.

Clause 3 - Control of the Work Execution

The execution of this contract is controlled by the Committee of the [*name of CIG*]. The Kenya Government, that provides a major part of financing for the sub-project, may send its own officers to inspect the work being done or completed. In case of non-conformity to the norms or rules of the profession, the chair of the CIG, upon a report of the person in charge of the Government's inspection unit, will bring to the attention of the contractor the breach of contract. The works poorly executed shall be repaired or improved by the contractor.

Clause 4 - Responsibility

The contractor is responsible during the execution of the work for the damages and accidents of any kind caused to a third party by the personnel and equipment of the contractor.

Clause 5 - Time Limit for the Work Execution

The whole work should be completed within ……days/months from the date of the signature of the contract.

Clause 6 - Liquidated Damages

In the event that works specified in the contract are not completed on schedule, the contractor shall be subject to a penalty of _____of the price of the works ordered per calendar day of delay, except in the case of force majeure, that would need to be confirmed by the Kenya Government's inspection unit appointed by the authority of the [*name of CIG*].

Clause 7 - Interim Receipt

The interim receipt will be acknowledged in a report and issued upon completion of the works. A certificate of acceptance will be provided by the Committee of [*name of CIG*], which may first request an opinion from a Kenya Government-appointed inspection team.

Clause 8 - Final Receipt

The final receipt will be acknowledged in a report of the Committee of [*name of CIG*], who may seek the prior opinion of a Kenya Government inspection unit appointed by the authorities responsible for the implementation of the [*name of the Government/IDA financed project*].

Clause 9 - Amount Of the Contract

The amount of the contract is KES .....

Clause 10 - Schedule of Payments

The schedules of payments are:

[An example]

Item	Implementation Stage	Description	Amount
1.	Advance for start up		10%
2.	First Stage	e.g. site clearing and Foundation	30%
3.	Second stage	Walling and roofing	30%
4.	Third stage	Painting and fittings	25%
5.	Fourth stage	Retention	5%

Clause 11

This agreement is signed as follows:

Done at ---------- [*place and date*]

(a) Names of CIG Representatives: _____

Signature: _____ Date _____

(b) Name and position of Representative of the Contractor: _____

Signature _____ Date_____

Annex 27: Component 2 Results Indicators

A) Intermediate Results Indicators for Component 2

Indicator Name	Definition/Description	Frequency	Data Source	Methodology for Data Collection	Responsibility for Data Collection
Grants delivered to members of Common Interest Group (CIG) (Number)	This indicator captures the access to improved overall livelihood conditions of eligible poor fisher and smallholder farmer households through implementation of sub-projects aimed at supporting productive, and environmental and social interventions. **Cumulative targets.**	Annual	Project and activity records	Review project and activity records	NPCU and CPIUs M&E function
Grants delivered to members of Common Interest Group (CIG)/ women (Number)	This indicator captures the access to improved overall livelihood conditions of eligible poor fisher and smallholder farmer households through implementation of sub-projects aimed at supporting productive, and environmental and social interventions. **Cumulative targets.**	Annual	Project and activity records	Review of project and activity records	NPCU and CPIUs M&E function
Improvement in basic social infrastructure to benefit coastal households (Number)	This indicator measures the number of basic social infrastructure supported under the project in coastal sub-counties, to benefit coastal households. Social basic infrastructure is defined as improved schools, health posts, boardwalks, public toilets, community halls, etc. **Cumulative targets.**	Annual	Project and activity records	Review of project and activity records	NPCU and CPIU M&E function
Beneficiaries with access to livelihood-related training and/ or technical assistance supported by the project (Number)	This indicator will quantify the number of eligible beneficiaries participating in training events and/or receiving technical assistance provided in the context of the different phases of the subproject cycle, as well as to ensure adequate utilization of investments received from the project. **Gender Indicator** **Cumulative targets**	Annual	Project and activity records	Review project and activity records	NPCU and CPIUs M&E function

Beneficiaries with access to livelihood-related training and/ or technical assistance supported by the project/women (Number)	This indicator will quantify the number of eligible beneficiaries participating in training events and/or receiving technical assistance provided in the context of the different phases of the subproject cycle, as well as to ensure adequate utilization of investments received from the project **Gender Indicator** **Cumulative targets**	Annual	Project and activity records	Review project and activity records	NPCU and CPIUs M&E function

B) Output/Process Indicators for Component 2

Sub-Component 2.1 Enhance Coastal Community Livelihoods		
Indicators	**Activities**	**Functions**
• Number of ToTs trained in PICD disaggregated by sex • Number of County officers trained disaggregated by sex • Number of CDPs developed and include priority interventions which can be funded. • Number of ESIA/ESMP reports submitted • Number of strategic partners who have signed MoUs • Number of community PMCs trained disaggregated by sex • Number of CIGs and CBOs funded • Number of PGM handbooks distributed to communities • Number of M&E visits made • Number of exhibitions done • Number of exchange visits made.	**Grant Provision for Sub Projects** • PICD training for (ToTs) (Consultancy) • County officers training by county ToTs • Sub-county and ward extensionist trained by ToTs • Number of communities reached through PICD • Number of community subprojects identified and funded (by category – livelihoods/ economic enhancement, social welfare and environment/ natural capital) • Number of students that benefited from scholarships (disaggregated by gender) • Carrying out studies for sub-projects ESIA reports • Signing MoU with strategic partners • Capacity building of community-driven development committees • Strategic Partnership Processes/ engagement • Grants disbursement to communities and implementation of sub-projects • Carrying out participatory M&E • Conduct annual exhibitions • Carrying out exchange visits/ experiential learning	National, County and Concurrent

Sub-Component 2: Support services for Livelihood Enhancement and Capacity Development		
Indicators	**Activities**	**Functions**
• Number of CTAs engaged • Number of technical officers trained disaggregated by gender • Number of support visits undertaken • Number of communities taken through PICD training • Number of training and mentoring skills done • Number of participants trained disaggregated by sex • Number of beneficiaries reached per sub-project category disaggregated by sex • Number of exchange visits done • Number and types of IEC materials shared with communities • Number of projects branded • Number of PMCs trained disaggregated by sex • Number of audits conducted • Number of exhibitions held	• CTAs for management of Grant programs • PICD: Training of Trainers & mentoring consultancy • PICD Training: County Technical staff • PICD Training: County Extension staff • PICD Training: Community level • Community Livelihoods skills training for grant recipients • CIG training and mentoring by county staff • CPIU support for community proposal screening • Exchange visits for community /technical staff • Professional training for county technical staff • IEC Materials and Printing • Annual Exhibitions • Backstopping support to beneficiary groups • Participatory M&E verification by CPIU • Technical Audit of sub-projects • Purchase of motorbikes and vehicles • Motorcycle riding course • Demand-driven capacity building • Office equipment and IT support and air time • Office materials • Purchase of hand held GPS and Smartphones • Vehicle O&M • Strategic partnership processes and engagement	National, County, and Concurrent
• Number of students reached disaggregated by gender • Number of scholarships issued disaggregated by category	**Scholarship Program** (Application & selection process) • Formal (High school), Vocational, • Certificate and Diploma	

Annex 28: Purchase of boats under KEMFSED after Phase 3

Below the text included in the approved Mid Term Review and the Aide Memoir.

Criteria	Explanation	Yes	No
Social criteria			
Number of women that will benefit Number of men that will benefit			
Boat characteristics			
Boat size:			
Boat type: motor of less than xx horse power			
Boat financial and operation management plan presented. This will include the estimate income from fishing minus coast of fuel, oil and other basic maintenance cost. How the boat will be used by the group- how many days will rotate among the members. Fisher Women owning boats will be at least 50% of the funding allocated. Where the boat will be landing?			
Financial capacity evidence presented by the group (the CIG or BMU or any other group that boats are granted will have to demonstrate capacity to pay for fuel cost at least 70% (monthly income) from different sources. Otherwise, does not make any sense to give a boat to a group that cannot pay for its basic maintenance			
Overfishing			
Number of boats that will replace and be destroyed			
Area that will be used is not a protected area or KBA or other critical habitat			
Safety			
Tracking system will be installed and purchased by the CPIU			
Proposal includes cost of lifejackets and plastic bean to place them so they do not raw;			
KEMFSED Construction standards have been included and costed and boats producers will follow these.			
Insurance, the subproject will pay a personal and third party insurance until the project ends. After the CIGS will have to be able to pay for it.			
Business case for fishing craft			

(Footnotes)

1 Note: KEMFSED grants should not pay for group members meetings or official allowances. Purchase of land and basic tools such as pangas and jembes should not be included in the budget.

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